

State: Pennsylvania **Filing Company:** MedAmerica Insurance Company
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Long-Term Care
Project Name/Number: CICA LTC Rate Increase Filing/145MAI01-40.03

Filing at a Glance

Company: MedAmerica Insurance Company
Product Name: Long-Term Care
State: Pennsylvania
TOI: LTC03I Individual Long Term Care
Sub-TOI: LTC03I.001 Qualified
Filing Type: Rate - Other (Not M.U. or G.I. Product)
Date Submitted: 03/21/2019
SERFF Tr Num: MILL-131786278
SERFF Status: Submitted to State
State Tr Num: MILL-131786278
State Status: Received Review in Progress
Co Tr Num: CICA - MEDAMERICA

Implementation: On Approval
Date Requested:
Author(s): Missy Gordon, Courtney Williamson, Travis Reisch, Shawn Stender, Michael Emmert, Bryan Rask, Brandon Johnson, Jack Bridges, Dexter Mosley, Cassi Noel, Megan Anderson, Peder Swenson, Derek Lesniak, Matt Mickolich, Rylee Sevigny, Jackie Wang

Reviewer(s):
Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:
Proposed aggregate 36.1% increase on 260 PA policyholders of MedAmerica individual LTC forms 14515-PA and 14785-PA .

State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care		
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03		

General Information

Project Name: CICA LTC Rate Increase Filing

Project Number: 145MAI01-40.03

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 36.1%

Deemer Date:

Submitted By: Courtney Williamson

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Pennsylvania is the state of domicile.

Market Type: Individual

Individual Market Type:

Filing Status Changed: 03/21/2019

State Status Changed: 03/21/2019

Created By: Jackie Wang

Corresponding Filing Tracking Number:

State TOI: LTC03I Individual Long Term Care

Filing Description:

On behalf of the company, we are submitting the referenced rate filing for your review. This is an existing product(s) that provides long-term care coverage. This product(s) was written by Combined Insurance Company of America (CICA) and issued in Pennsylvania from February 18, 1999 through June 1, 2008 and is no longer marketed in any jurisdiction.

In 2008, MedAmerica acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 16% of the policyholders nationwide objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on these series, including policies on CICA paper, and administers and manages the entire block.

The company is requesting a premium rate increase on this form(s), including all associated riders. The need for a premium rate increase is due to emerging and projected experience running more adverse than previously expected.

The company is requesting a premium rate increase that varies by series and inflation protection option to achieve the cumulative rate increases shown in the enclosed cover letter. The rate increase levels were determined to vary by series and inflation protection option to better align the rate increase with adverse experience.

The cumulative prior increase reflects the two prior increases filed for use on the 515 Series policies in May 2014 and June 2015. There have been no previous rate revisions on the 780 series policies in this jurisdiction. The company is seeking this current rate increase request to help alleviate the adverse performance on this block of business.

Similar to the prior increase(s), the company will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, the company will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

Company and Contact

Filing Contact Information

Michael Emmert, Associate Actuary

michael.emmert@milliman.com

State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care		
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8500 Normandale Lake Blvd. 952-820-3116 [Phone]
Suite 1850
Minneapolis, MN 55437

Filing Company Information

(This filing was made by a third party - millimaninc)

MedAmerica Insurance Company	CoCode: 69515	State of Domicile:
165 Court Street	Group Code: 1186	Pennsylvania
Rochester, NY 14647	Group Name: Lifetime HealthCare	Company Type:
(800) 544-0327 ext. [Phone]	Group	Life/Accident/Health
	FEIN Number: 34-0977231	State ID Number:

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care		
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03		

Rate Information

Rate data applies to filing.

Filing Method:	Review and Approval
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	20.000%
Effective Date of Last Rate Revision:	06/24/2015
Filing Method of Last Filing:	Review and Approval
SERFF Tracking Number of Last Filing:	MILL-129976653

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MedAmerica Insurance Company	36.100%	36.100%	\$110,576	260	\$306,309	66.700%	0.000%

SERFF Tracking #:

MILL-131786278

State Tracking #:

MILL-131786278

Company Tracking #:

CICA - MEDAMERICA

State: Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: Long-Term Care

Project Name/Number: CICA LTC Rate Increase Filing/145MAI01-40.03

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		515 Series Rate Tables	14515-PA	Revised	Previous State Filing Number: MILL-129976653 Percent Rate Change Request: 66.7	PA_Proposed Rate Tables_MedAmerica_515 Series_20190319.pdf, PA_Current Rate Tables_MedAmerica_515 Series_20190319.pdf,
2		780 Series Rate Tables	14785-PA	Revised	Previous State Filing Number: This form was originally approved in 2003. Percent Rate Change Request: 35	PA_Proposed Rate Tables_MedAmerica_780 Series_20190319.pdf, PA_Current Rate Tables_MedAmerica_780 Series_20190319.pdf,

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR POLICY FORM 14515 WITH NO INFLATION

BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit) WITH 0% RATE INCREASE

Issue Age	Lifetime Multiplier = 400 <i>Elimination Period</i>			Lifetime Multiplier = 800 <i>Elimination Period</i>			Lifetime Multiplier = 1200 <i>Elimination Period</i>			Lifetime Multiplier = 1600 <i>Elimination Period</i>			Lifetime Multiplier = Unlimited <i>Elimination Period</i>		
	<i>20 Days</i>	<i>90 Days</i>	<i>180 Days</i>	<i>20 Days</i>	<i>90 Days</i>	<i>180 Days</i>	<i>20 Days</i>	<i>90 Days</i>	<i>180 Days</i>	<i>20 Days</i>	<i>90 Days</i>	<i>180 Days</i>	<i>20 Days</i>	<i>90 Days</i>	<i>180 Days</i>
18-44	\$17	\$15	\$14	\$22	\$19	\$18	\$25	\$22	\$21	\$26	\$23	\$22	\$36	\$32	\$29
45-49	\$23	\$21	\$19	\$32	\$28	\$26	\$36	\$32	\$29	\$40	\$35	\$32	\$58	\$50	\$46
50	\$26	\$23	\$22	\$36	\$32	\$29	\$43	\$37	\$35	\$48	\$41	\$39	\$69	\$59	\$55
51	\$28	\$25	\$22	\$37	\$33	\$30	\$46	\$40	\$36	\$51	\$44	\$40	\$73	\$63	\$58
52	\$29	\$25	\$23	\$40	\$35	\$32	\$48	\$41	\$37	\$54	\$47	\$43	\$77	\$68	\$61
53	\$30	\$26	\$25	\$43	\$36	\$33	\$51	\$44	\$40	\$58	\$50	\$46	\$81	\$72	\$65
54	\$32	\$28	\$25	\$44	\$39	\$35	\$54	\$47	\$43	\$61	\$52	\$48	\$87	\$75	\$69
55	\$33	\$29	\$26	\$47	\$41	\$37	\$58	\$50	\$44	\$65	\$55	\$51	\$91	\$80	\$72
56	\$35	\$30	\$28	\$51	\$43	\$39	\$62	\$52	\$48	\$69	\$59	\$54	\$98	\$84	\$77
57	\$36	\$32	\$29	\$55	\$47	\$41	\$66	\$57	\$51	\$75	\$63	\$58	\$105	\$91	\$83
58	\$40	\$35	\$30	\$59	\$51	\$46	\$72	\$62	\$57	\$81	\$69	\$63	\$113	\$98	\$90
59	\$43	\$36	\$33	\$65	\$55	\$50	\$79	\$68	\$61	\$88	\$76	\$69	\$123	\$106	\$97
60	\$47	\$40	\$36	\$70	\$61	\$54	\$86	\$73	\$66	\$97	\$83	\$75	\$134	\$116	\$105
61	\$50	\$43	\$39	\$76	\$65	\$59	\$92	\$80	\$72	\$105	\$90	\$81	\$145	\$126	\$115
62	\$54	\$46	\$41	\$83	\$70	\$63	\$101	\$87	\$77	\$112	\$97	\$88	\$156	\$135	\$123
63	\$58	\$50	\$44	\$88	\$75	\$68	\$106	\$92	\$83	\$120	\$104	\$94	\$166	\$144	\$130
64	\$62	\$52	\$48	\$92	\$79	\$70	\$112	\$97	\$87	\$126	\$109	\$98	\$174	\$150	\$137
65	\$66	\$57	\$51	\$97	\$83	\$75	\$119	\$102	\$92	\$132	\$115	\$104	\$182	\$159	\$144
66	\$70	\$61	\$55	\$104	\$90	\$80	\$127	\$109	\$98	\$142	\$123	\$112	\$195	\$168	\$153
67	\$77	\$68	\$61	\$113	\$97	\$87	\$138	\$119	\$108	\$156	\$134	\$121	\$213	\$184	\$167
68	\$86	\$73	\$68	\$126	\$108	\$97	\$153	\$132	\$119	\$173	\$149	\$134	\$235	\$203	\$184
69	\$94	\$81	\$73	\$139	\$120	\$108	\$171	\$148	\$132	\$192	\$166	\$149	\$259	\$225	\$204
70	\$104	\$90	\$81	\$156	\$134	\$120	\$190	\$164	\$148	\$214	\$185	\$167	\$290	\$250	\$226
71	\$115	\$99	\$90	\$174	\$149	\$134	\$213	\$184	\$166	\$239	\$206	\$186	\$323	\$279	\$253
72	\$128	\$110	\$99	\$195	\$167	\$150	\$239	\$206	\$185	\$268	\$230	\$208	\$360	\$312	\$282
73	\$144	\$124	\$112	\$218	\$186	\$167	\$266	\$230	\$207	\$299	\$258	\$233	\$402	\$348	\$315
74	\$160	\$138	\$126	\$243	\$208	\$186	\$297	\$257	\$230	\$334	\$288	\$261	\$449	\$388	\$351
75	\$179	\$155	\$139	\$269	\$230	\$207	\$331	\$286	\$257	\$373	\$320	\$290	\$498	\$431	\$389
76	\$200	\$173	\$156	\$299	\$257	\$230	\$367	\$317	\$286	\$413	\$356	\$322	\$552	\$477	\$432
77	\$222	\$192	\$174	\$331	\$284	\$257	\$407	\$352	\$316	\$458	\$395	\$357	\$611	\$529	\$477
78	\$247	\$213	\$192	\$368	\$316	\$286	\$451	\$391	\$351	\$508	\$439	\$396	\$676	\$585	\$529
79	\$275	\$236	\$214	\$408	\$352	\$317	\$501	\$432	\$388	\$564	\$487	\$440	\$751	\$649	\$585
80	\$304	\$261	\$236	\$450	\$389	\$352	\$552	\$476	\$428	\$622	\$537	\$484	\$827	\$715	\$644
81	\$333	\$286	\$258	\$493	\$426	\$386	\$603	\$522	\$468	\$680	\$587	\$530	\$901	\$778	\$702
82	\$360	\$309	\$279	\$534	\$462	\$418	\$653	\$563	\$505	\$734	\$633	\$571	\$969	\$836	\$755
83	\$388	\$333	\$299	\$574	\$498	\$450	\$700	\$603	\$542	\$785	\$678	\$611	\$1,032	\$891	\$802
84	\$415	\$356	\$320	\$615	\$533	\$480	\$745	\$644	\$580	\$835	\$720	\$650	\$1,093	\$943	\$849
85+	\$563	\$477	\$424	\$822	\$704	\$627	\$976	\$838	\$749	\$1,076	\$925	\$829	\$1,341	\$1,145	\$1,024

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR POLICY FORM 14515 WITH COMPOUND INFLATION

BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit) WITH 66.7% RATE INCREASE

Issue Age	Lifetime Multiplier = 400			Lifetime Multiplier = 800			Lifetime Multiplier = 1200			Lifetime Multiplier = 1600			Lifetime Multiplier = Unlimited		
	Elimination Period			Elimination Period			Elimination Period			Elimination Period			Elimination Period		
	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days
18-44	\$57	\$53	\$48	\$77	\$67	\$62	\$86	\$77	\$72	\$91	\$81	\$77	\$124	\$110	\$100
45-49	\$78	\$69	\$64	\$106	\$92	\$87	\$120	\$106	\$97	\$133	\$115	\$106	\$193	\$166	\$152
50	\$85	\$76	\$71	\$116	\$103	\$94	\$138	\$120	\$112	\$156	\$134	\$125	\$223	\$192	\$178
51	\$88	\$79	\$71	\$119	\$106	\$97	\$146	\$128	\$115	\$163	\$141	\$128	\$234	\$203	\$185
52	\$92	\$79	\$74	\$127	\$109	\$101	\$153	\$131	\$118	\$170	\$149	\$135	\$245	\$214	\$192
53	\$96	\$83	\$78	\$135	\$113	\$104	\$161	\$139	\$126	\$183	\$156	\$143	\$256	\$226	\$204
54	\$99	\$86	\$78	\$138	\$121	\$108	\$169	\$147	\$134	\$190	\$164	\$151	\$272	\$233	\$216
55	\$103	\$90	\$82	\$146	\$129	\$116	\$181	\$155	\$138	\$202	\$172	\$159	\$284	\$249	\$224
56	\$107	\$94	\$86	\$158	\$133	\$120	\$193	\$163	\$150	\$214	\$184	\$167	\$304	\$261	\$240
57	\$111	\$98	\$89	\$170	\$145	\$128	\$204	\$174	\$157	\$230	\$196	\$179	\$323	\$281	\$255
58	\$123	\$106	\$93	\$182	\$157	\$140	\$220	\$190	\$174	\$250	\$212	\$195	\$347	\$300	\$275
59	\$130	\$109	\$101	\$198	\$168	\$152	\$240	\$206	\$185	\$269	\$231	\$210	\$375	\$324	\$295
60	\$142	\$121	\$109	\$213	\$184	\$163	\$260	\$222	\$201	\$293	\$251	\$226	\$406	\$352	\$318
61	\$150	\$129	\$117	\$229	\$196	\$179	\$279	\$241	\$216	\$316	\$271	\$246	\$437	\$379	\$346
62	\$161	\$137	\$124	\$248	\$211	\$190	\$302	\$261	\$232	\$335	\$290	\$265	\$468	\$406	\$368
63	\$172	\$147	\$131	\$262	\$221	\$201	\$315	\$274	\$246	\$356	\$307	\$278	\$491	\$426	\$385
64	\$182	\$154	\$142	\$271	\$231	\$206	\$328	\$283	\$255	\$368	\$320	\$287	\$510	\$441	\$401
65	\$192	\$164	\$148	\$280	\$240	\$216	\$344	\$296	\$268	\$384	\$332	\$300	\$528	\$460	\$416
66	\$202	\$174	\$158	\$297	\$257	\$229	\$364	\$313	\$281	\$407	\$352	\$320	\$558	\$483	\$439
67	\$219	\$192	\$172	\$321	\$274	\$246	\$391	\$336	\$305	\$442	\$379	\$344	\$602	\$520	\$473
68	\$240	\$205	\$189	\$352	\$301	\$270	\$429	\$371	\$332	\$483	\$417	\$375	\$657	\$568	\$514
69	\$260	\$225	\$202	\$386	\$332	\$298	\$473	\$409	\$367	\$531	\$458	\$412	\$718	\$622	\$565
70	\$283	\$245	\$223	\$426	\$366	\$328	\$521	\$449	\$404	\$585	\$505	\$456	\$792	\$683	\$619
71	\$309	\$268	\$242	\$469	\$402	\$361	\$574	\$496	\$447	\$645	\$555	\$503	\$872	\$753	\$682
72	\$342	\$294	\$265	\$519	\$445	\$401	\$637	\$548	\$493	\$714	\$615	\$556	\$960	\$832	\$751
73	\$378	\$327	\$294	\$574	\$491	\$440	\$701	\$607	\$545	\$789	\$680	\$614	\$1,057	\$916	\$829
74	\$416	\$359	\$327	\$631	\$542	\$484	\$771	\$667	\$599	\$868	\$750	\$678	\$1,166	\$1,008	\$911
75	\$460	\$397	\$358	\$691	\$592	\$531	\$850	\$733	\$659	\$956	\$822	\$744	\$1,279	\$1,105	\$999
76	\$507	\$437	\$395	\$759	\$650	\$584	\$930	\$804	\$724	\$1,045	\$902	\$815	\$1,398	\$1,210	\$1,094
77	\$555	\$480	\$435	\$828	\$711	\$642	\$1,018	\$880	\$790	\$1,145	\$987	\$894	\$1,528	\$1,321	\$1,194
78	\$609	\$524	\$473	\$909	\$780	\$705	\$1,113	\$963	\$865	\$1,253	\$1,082	\$977	\$1,668	\$1,443	\$1,304
79	\$668	\$574	\$520	\$994	\$856	\$772	\$1,219	\$1,051	\$944	\$1,373	\$1,185	\$1,071	\$1,827	\$1,578	\$1,424
80	\$729	\$626	\$566	\$1,080	\$934	\$845	\$1,325	\$1,143	\$1,027	\$1,494	\$1,288	\$1,163	\$1,984	\$1,716	\$1,547
81	\$787	\$676	\$611	\$1,166	\$1,009	\$914	\$1,427	\$1,235	\$1,107	\$1,610	\$1,388	\$1,254	\$2,133	\$1,842	\$1,662
82	\$840	\$721	\$650	\$1,246	\$1,079	\$976	\$1,523	\$1,314	\$1,179	\$1,713	\$1,478	\$1,333	\$2,260	\$1,951	\$1,761
83	\$898	\$770	\$694	\$1,330	\$1,154	\$1,042	\$1,621	\$1,397	\$1,256	\$1,819	\$1,570	\$1,416	\$2,391	\$2,065	\$1,857
84	\$955	\$819	\$736	\$1,416	\$1,225	\$1,105	\$1,714	\$1,482	\$1,333	\$1,920	\$1,657	\$1,495	\$2,514	\$2,168	\$1,952
85+	\$1,276	\$1,082	\$960	\$1,864	\$1,595	\$1,420	\$2,211	\$1,899	\$1,699	\$2,440	\$2,096	\$1,880	\$3,040	\$2,596	\$2,321

MEDAMERICA INSURANCE COMPANY
165 COURT STREET, ROCHESTER, NEW YORK 14647
RATE SHEET FOR POLICY FORM 14515 WITH NO INFLATION
BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit)

Issue Age	Lifetime Multiplier = 400			Lifetime Multiplier = 800			Lifetime Multiplier = 1200			Lifetime Multiplier = 1600			Lifetime Multiplier = Unlimited		
	Elimination Period			Elimination Period			Elimination Period			Elimination Period			Elimination Period		
	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>
18-44	\$17	\$15	\$14	\$22	\$19	\$18	\$25	\$22	\$21	\$26	\$23	\$22	\$36	\$32	\$29
45-49	\$23	\$21	\$19	\$32	\$28	\$26	\$36	\$32	\$29	\$40	\$35	\$32	\$58	\$50	\$46
50	\$26	\$23	\$22	\$36	\$32	\$29	\$43	\$37	\$35	\$48	\$41	\$39	\$69	\$59	\$55
51	\$28	\$25	\$22	\$37	\$33	\$30	\$46	\$40	\$36	\$51	\$44	\$40	\$73	\$63	\$58
52	\$29	\$25	\$23	\$40	\$35	\$32	\$48	\$41	\$37	\$54	\$47	\$43	\$77	\$68	\$61
53	\$30	\$26	\$25	\$43	\$36	\$33	\$51	\$44	\$40	\$58	\$50	\$46	\$81	\$72	\$65
54	\$32	\$28	\$25	\$44	\$39	\$35	\$54	\$47	\$43	\$61	\$52	\$48	\$87	\$75	\$69
55	\$33	\$29	\$26	\$47	\$41	\$37	\$58	\$50	\$44	\$65	\$55	\$51	\$91	\$80	\$72
56	\$35	\$30	\$28	\$51	\$43	\$39	\$62	\$52	\$48	\$69	\$59	\$54	\$98	\$84	\$77
57	\$36	\$32	\$29	\$55	\$47	\$41	\$66	\$57	\$51	\$75	\$63	\$58	\$105	\$91	\$83
58	\$40	\$35	\$30	\$59	\$51	\$46	\$72	\$62	\$57	\$81	\$69	\$63	\$113	\$98	\$90
59	\$43	\$36	\$33	\$65	\$55	\$50	\$79	\$68	\$61	\$88	\$76	\$69	\$123	\$106	\$97
60	\$47	\$40	\$36	\$70	\$61	\$54	\$86	\$73	\$66	\$97	\$83	\$75	\$134	\$116	\$105
61	\$50	\$43	\$39	\$76	\$65	\$59	\$92	\$80	\$72	\$105	\$90	\$81	\$145	\$126	\$115
62	\$54	\$46	\$41	\$83	\$70	\$63	\$101	\$87	\$77	\$112	\$97	\$88	\$156	\$135	\$123
63	\$58	\$50	\$44	\$88	\$75	\$68	\$106	\$92	\$83	\$120	\$104	\$94	\$166	\$144	\$130
64	\$62	\$52	\$48	\$92	\$79	\$70	\$112	\$97	\$87	\$126	\$109	\$98	\$174	\$150	\$137
65	\$66	\$57	\$51	\$97	\$83	\$75	\$119	\$102	\$92	\$132	\$115	\$104	\$182	\$159	\$144
66	\$70	\$61	\$55	\$104	\$90	\$80	\$127	\$109	\$98	\$142	\$123	\$112	\$195	\$168	\$153
67	\$77	\$68	\$61	\$113	\$97	\$87	\$138	\$119	\$108	\$156	\$134	\$121	\$213	\$184	\$167
68	\$86	\$73	\$68	\$126	\$108	\$97	\$153	\$132	\$119	\$173	\$149	\$134	\$235	\$203	\$184
69	\$94	\$81	\$73	\$139	\$120	\$108	\$171	\$148	\$132	\$192	\$166	\$149	\$259	\$225	\$204
70	\$104	\$90	\$81	\$156	\$134	\$120	\$190	\$164	\$148	\$214	\$185	\$167	\$290	\$250	\$226
71	\$115	\$99	\$90	\$174	\$149	\$134	\$213	\$184	\$166	\$239	\$206	\$186	\$323	\$279	\$253
72	\$128	\$110	\$99	\$195	\$167	\$150	\$239	\$206	\$185	\$268	\$230	\$208	\$360	\$312	\$282
73	\$144	\$124	\$112	\$218	\$186	\$167	\$266	\$230	\$207	\$299	\$258	\$233	\$402	\$348	\$315
74	\$160	\$138	\$126	\$243	\$208	\$186	\$297	\$257	\$230	\$334	\$288	\$261	\$449	\$388	\$351
75	\$179	\$155	\$139	\$269	\$230	\$207	\$331	\$286	\$257	\$373	\$320	\$290	\$498	\$431	\$389
76	\$200	\$173	\$156	\$299	\$257	\$230	\$367	\$317	\$286	\$413	\$356	\$322	\$552	\$477	\$432
77	\$222	\$192	\$174	\$331	\$284	\$257	\$407	\$352	\$316	\$458	\$395	\$357	\$611	\$529	\$477
78	\$247	\$213	\$192	\$368	\$316	\$286	\$451	\$391	\$351	\$508	\$439	\$396	\$676	\$585	\$529
79	\$275	\$236	\$214	\$408	\$352	\$317	\$501	\$432	\$388	\$564	\$487	\$440	\$751	\$649	\$585
80	\$304	\$261	\$236	\$450	\$389	\$352	\$552	\$476	\$428	\$622	\$537	\$484	\$827	\$715	\$644
81	\$333	\$286	\$258	\$493	\$426	\$386	\$603	\$522	\$468	\$680	\$587	\$530	\$901	\$778	\$702
82	\$360	\$309	\$279	\$534	\$462	\$418	\$653	\$563	\$505	\$734	\$633	\$571	\$969	\$836	\$755
83	\$388	\$333	\$299	\$574	\$498	\$450	\$700	\$603	\$542	\$785	\$678	\$611	\$1,032	\$891	\$802
84	\$415	\$356	\$320	\$615	\$533	\$480	\$745	\$644	\$580	\$835	\$720	\$650	\$1,093	\$943	\$849
85+	\$563	\$477	\$424	\$822	\$704	\$627	\$976	\$838	\$749	\$1,076	\$925	\$829	\$1,341	\$1,145	\$1,024

MEDAMERICA INSURANCE COMPANY
165 COURT STREET, ROCHESTER, NEW YORK 14647
RATE SHEET FOR POLICY FORM 14515 WITH COMPOUND INFLATION
BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit)

Issue Age	Lifetime Multiplier = 400			Lifetime Multiplier = 800			Lifetime Multiplier = 1200			Lifetime Multiplier = 1600			Lifetime Multiplier = Unlimited		
	Elimination Period			Elimination Period			Elimination Period			Elimination Period			Elimination Period		
	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>	<u>20 Days</u>	<u>90 Days</u>	<u>180 Days</u>
18-44	\$34	\$32	\$29	\$46	\$40	\$37	\$52	\$46	\$43	\$55	\$49	\$46	\$75	\$66	\$60
45-49	\$47	\$41	\$39	\$63	\$55	\$52	\$72	\$63	\$58	\$80	\$69	\$63	\$116	\$99	\$91
50	\$51	\$46	\$43	\$70	\$62	\$56	\$83	\$72	\$67	\$94	\$80	\$75	\$134	\$115	\$107
51	\$53	\$48	\$42	\$72	\$64	\$58	\$87	\$77	\$69	\$98	\$85	\$77	\$140	\$122	\$111
52	\$55	\$47	\$45	\$76	\$66	\$60	\$92	\$79	\$71	\$102	\$89	\$81	\$147	\$128	\$115
53	\$57	\$50	\$47	\$81	\$68	\$63	\$97	\$83	\$76	\$110	\$94	\$86	\$154	\$136	\$123
54	\$60	\$52	\$47	\$83	\$73	\$65	\$101	\$88	\$80	\$114	\$99	\$91	\$163	\$140	\$130
55	\$62	\$54	\$49	\$88	\$77	\$70	\$108	\$93	\$83	\$121	\$103	\$95	\$170	\$150	\$134
56	\$64	\$56	\$51	\$95	\$80	\$72	\$116	\$98	\$90	\$128	\$110	\$100	\$182	\$157	\$144
57	\$66	\$59	\$54	\$102	\$87	\$77	\$123	\$105	\$94	\$138	\$117	\$107	\$194	\$168	\$153
58	\$74	\$63	\$56	\$109	\$94	\$84	\$132	\$114	\$104	\$150	\$127	\$117	\$208	\$180	\$165
59	\$78	\$66	\$61	\$119	\$101	\$91	\$144	\$124	\$111	\$162	\$139	\$126	\$225	\$194	\$177
60	\$85	\$73	\$65	\$128	\$111	\$98	\$156	\$133	\$121	\$176	\$151	\$136	\$244	\$211	\$191
61	\$90	\$77	\$70	\$137	\$117	\$107	\$167	\$145	\$130	\$190	\$162	\$147	\$262	\$227	\$207
62	\$97	\$82	\$75	\$149	\$127	\$114	\$181	\$156	\$139	\$201	\$174	\$159	\$281	\$243	\$221
63	\$103	\$88	\$79	\$157	\$133	\$120	\$189	\$165	\$147	\$214	\$184	\$167	\$295	\$255	\$231
64	\$109	\$92	\$85	\$163	\$138	\$124	\$197	\$170	\$153	\$221	\$192	\$172	\$306	\$265	\$240
65	\$115	\$98	\$89	\$168	\$144	\$130	\$207	\$178	\$161	\$231	\$199	\$180	\$317	\$276	\$250
66	\$121	\$104	\$95	\$178	\$154	\$138	\$218	\$188	\$169	\$244	\$211	\$192	\$335	\$290	\$263
67	\$131	\$115	\$103	\$192	\$164	\$148	\$235	\$202	\$183	\$265	\$228	\$206	\$361	\$312	\$284
68	\$144	\$123	\$114	\$211	\$181	\$162	\$257	\$223	\$199	\$290	\$250	\$225	\$394	\$341	\$308
69	\$156	\$135	\$121	\$231	\$199	\$179	\$284	\$245	\$220	\$318	\$275	\$247	\$431	\$373	\$339
70	\$170	\$147	\$134	\$256	\$220	\$197	\$312	\$269	\$242	\$351	\$303	\$274	\$475	\$410	\$371
71	\$186	\$161	\$145	\$282	\$241	\$217	\$344	\$297	\$268	\$387	\$333	\$302	\$523	\$452	\$409
72	\$205	\$177	\$159	\$311	\$267	\$241	\$382	\$329	\$296	\$428	\$369	\$333	\$576	\$499	\$450
73	\$227	\$196	\$177	\$345	\$294	\$264	\$421	\$364	\$327	\$473	\$408	\$368	\$634	\$549	\$497
74	\$250	\$215	\$196	\$379	\$325	\$291	\$463	\$400	\$360	\$521	\$450	\$407	\$700	\$605	\$547
75	\$276	\$238	\$215	\$414	\$355	\$319	\$510	\$440	\$395	\$574	\$493	\$446	\$767	\$663	\$599
76	\$304	\$262	\$237	\$455	\$390	\$350	\$558	\$482	\$434	\$627	\$541	\$489	\$839	\$726	\$657
77	\$333	\$288	\$261	\$497	\$426	\$385	\$611	\$528	\$474	\$687	\$592	\$536	\$917	\$793	\$716
78	\$366	\$315	\$284	\$545	\$468	\$423	\$668	\$578	\$519	\$752	\$649	\$586	\$1,001	\$866	\$782
79	\$401	\$345	\$312	\$596	\$514	\$463	\$731	\$631	\$566	\$824	\$711	\$643	\$1,096	\$947	\$854
80	\$437	\$376	\$340	\$648	\$560	\$507	\$795	\$686	\$616	\$896	\$773	\$698	\$1,190	\$1,029	\$928
81	\$472	\$406	\$366	\$700	\$606	\$549	\$856	\$741	\$664	\$966	\$833	\$752	\$1,280	\$1,105	\$997
82	\$504	\$433	\$390	\$748	\$647	\$585	\$914	\$788	\$707	\$1,028	\$887	\$800	\$1,356	\$1,171	\$1,057
83	\$539	\$462	\$416	\$798	\$692	\$625	\$973	\$838	\$754	\$1,091	\$942	\$850	\$1,435	\$1,239	\$1,114
84	\$573	\$491	\$442	\$849	\$735	\$663	\$1,028	\$889	\$800	\$1,152	\$994	\$897	\$1,508	\$1,301	\$1,171
85+	\$766	\$649	\$576	\$1,119	\$957	\$852	\$1,327	\$1,139	\$1,019	\$1,464	\$1,257	\$1,128	\$1,824	\$1,558	\$1,393

MEDAMERICA INSURANCE COMPANY
165 COURT STREET, ROCHESTER, NEW YORK 14647
RATE SHEET FOR LONG TERM CARE POLICY FORM 14785
WITH NO INFLATION

Base Plan Annual Premiums with 0% Rate Increase (Per \$10 of Benefit)					
90 Day Elimination Period					
<i>Issue</i>	<i>Benefit Period Multiplier</i>				
<u>Age</u>	<u>400</u>	<u>800</u>	<u>1200</u>	<u>1600</u>	<u>Lifetime</u>
18-44	\$14	\$18	\$20	\$21	\$29
45-49	\$19	\$25	\$29	\$32	\$45
50	\$21	\$29	\$34	\$37	\$54
51	\$22	\$30	\$36	\$39	\$57
52	\$23	\$32	\$38	\$41	\$60
53	\$24	\$33	\$40	\$43	\$63
54	\$25	\$35	\$42	\$46	\$67
55	\$26	\$37	\$45	\$49	\$71
56	\$27	\$39	\$48	\$53	\$77
57	\$29	\$42	\$51	\$57	\$82
58	\$32	\$45	\$56	\$61	\$88
59	\$34	\$49	\$60	\$66	\$96
60	\$36	\$54	\$65	\$72	\$104
61	\$38	\$58	\$71	\$80	\$113
62	\$41	\$63	\$78	\$87	\$123
63	\$44	\$68	\$85	\$96	\$133
64	\$48	\$75	\$92	\$104	\$145
65	\$53	\$82	\$101	\$113	\$156
66	\$58	\$89	\$110	\$124	\$169
67	\$64	\$98	\$121	\$135	\$183
68	\$69	\$108	\$133	\$149	\$198
69	\$76	\$120	\$148	\$165	\$217
70	\$83	\$132	\$165	\$183	\$240
71	\$91	\$146	\$184	\$204	\$269
72	\$102	\$161	\$205	\$228	\$302
73	\$114	\$179	\$229	\$255	\$340
74	\$129	\$200	\$256	\$286	\$382
75	\$146	\$224	\$286	\$319	\$427
76	\$165	\$251	\$317	\$358	\$476
77	\$186	\$281	\$351	\$399	\$526
78	\$208	\$315	\$386	\$442	\$579
79	\$231	\$351	\$424	\$486	\$633
80	\$255	\$386	\$464	\$531	\$690
81	\$279	\$422	\$506	\$576	\$749
82	\$303	\$458	\$549	\$622	\$810
83	\$328	\$494	\$593	\$667	\$870
84	\$352	\$530	\$637	\$713	\$932
85+	\$418	\$616	\$733	\$810	\$1,003

Elimination Period Factors (Applied to 90 Day EP rates)

30 Day EP	1.14
60 Day EP	1.06
180 Day EP	0.91

MEDAMERICA INSURANCE COMPANY
165 COURT STREET, ROCHESTER, NEW YORK 14647
RATE SHEET FOR LONG TERM CARE POLICY FORM 14785
WITH COMPOUND INFLATION

Base Plan Annual Premiums with 35% Rate Increase (Per \$10 of Benefit)					
90 Day Elimination Period					
<i>Issue</i>	<i>Benefit Period Multiplier</i>				
<u>Age</u>	<u>400</u>	<u>800</u>	<u>1200</u>	<u>1600</u>	<u>Lifetime</u>
18-44	\$48	\$62	\$69	\$72	\$100
45-49	\$63	\$83	\$96	\$106	\$149
50	\$69	\$95	\$112	\$121	\$177
51	\$72	\$98	\$117	\$127	\$185
52	\$74	\$103	\$123	\$132	\$194
53	\$77	\$106	\$128	\$138	\$202
54	\$79	\$111	\$133	\$146	\$213
55	\$81	\$116	\$141	\$153	\$222
56	\$83	\$121	\$148	\$164	\$238
57	\$88	\$128	\$156	\$174	\$250
58	\$96	\$135	\$168	\$183	\$264
59	\$100	\$144	\$177	\$194	\$283
60	\$104	\$156	\$188	\$208	\$300
61	\$108	\$164	\$201	\$227	\$320
62	\$113	\$174	\$216	\$241	\$340
63	\$119	\$184	\$230	\$259	\$359
64	\$126	\$197	\$242	\$274	\$382
65	\$136	\$210	\$259	\$290	\$400
66	\$145	\$222	\$275	\$310	\$422
67	\$156	\$238	\$294	\$328	\$445
68	\$164	\$257	\$316	\$354	\$470
69	\$176	\$279	\$344	\$383	\$504
70	\$188	\$299	\$374	\$415	\$544
71	\$203	\$325	\$410	\$454	\$599
72	\$223	\$352	\$448	\$499	\$660
73	\$245	\$384	\$492	\$547	\$730
74	\$272	\$421	\$539	\$602	\$804
75	\$304	\$466	\$595	\$663	\$888
76	\$339	\$515	\$650	\$735	\$977
77	\$377	\$569	\$711	\$808	\$1,065
78	\$416	\$629	\$771	\$883	\$1,157
79	\$455	\$692	\$836	\$958	\$1,248
80	\$496	\$750	\$902	\$1,032	\$1,341
81	\$535	\$809	\$970	\$1,104	\$1,436
82	\$573	\$866	\$1,038	\$1,176	\$1,531
83	\$615	\$927	\$1,113	\$1,252	\$1,633
84	\$656	\$987	\$1,187	\$1,328	\$1,736
85+	\$767	\$1,131	\$1,346	\$1,487	\$1,842

Elimination Period Factors (Applied to 90 Day EP rates)

30 Day EP	1.14
60 Day EP	1.06
180 Day EP	0.91

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR LONG TERM CARE POLICY FORM 14785

WITH NO INFLATION

Base Plan Annual Premiums (Per \$10 of Benefit)					
90 Day Elimination Period					
<i>Issue</i>	<i>Benefit Period Multiplier</i>				
<u>Age</u>	<u>400</u>	<u>800</u>	<u>1200</u>	<u>1600</u>	<u>Lifetime</u>
18-44	\$14	\$18	\$20	\$21	\$29
45-49	\$19	\$25	\$29	\$32	\$45
50	\$21	\$29	\$34	\$37	\$54
51	\$22	\$30	\$36	\$39	\$57
52	\$23	\$32	\$38	\$41	\$60
53	\$24	\$33	\$40	\$43	\$63
54	\$25	\$35	\$42	\$46	\$67
55	\$26	\$37	\$45	\$49	\$71
56	\$27	\$39	\$48	\$53	\$77
57	\$29	\$42	\$51	\$57	\$82
58	\$32	\$45	\$56	\$61	\$88
59	\$34	\$49	\$60	\$66	\$96
60	\$36	\$54	\$65	\$72	\$104
61	\$38	\$58	\$71	\$80	\$113
62	\$41	\$63	\$78	\$87	\$123
63	\$44	\$68	\$85	\$96	\$133
64	\$48	\$75	\$92	\$104	\$145
65	\$53	\$82	\$101	\$113	\$156
66	\$58	\$89	\$110	\$124	\$169
67	\$64	\$98	\$121	\$135	\$183
68	\$69	\$108	\$133	\$149	\$198
69	\$76	\$120	\$148	\$165	\$217
70	\$83	\$132	\$165	\$183	\$240
71	\$91	\$146	\$184	\$204	\$269
72	\$102	\$161	\$205	\$228	\$302
73	\$114	\$179	\$229	\$255	\$340
74	\$129	\$200	\$256	\$286	\$382
75	\$146	\$224	\$286	\$319	\$427
76	\$165	\$251	\$317	\$358	\$476
77	\$186	\$281	\$351	\$399	\$526
78	\$208	\$315	\$386	\$442	\$579
79	\$231	\$351	\$424	\$486	\$633
80	\$255	\$386	\$464	\$531	\$690
81	\$279	\$422	\$506	\$576	\$749
82	\$303	\$458	\$549	\$622	\$810
83	\$328	\$494	\$593	\$667	\$870
84	\$352	\$530	\$637	\$713	\$932
85+	\$418	\$616	\$733	\$810	\$1,003

Elimination Period Factors (Applied to 90 Day EP rates)

30 Day EP	1.14
60 Day EP	1.06
180 Day EP	0.91

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR LONG TERM CARE POLICY FORM 14785

WITH COMPOUND INFLATION

Base Plan Annual Premiums (Per \$10 of Benefit)					
90 Day Elimination Period					
<i>Issue</i>	<i>Benefit Period Multiplier</i>				
<u>Age</u>	<u>400</u>	<u>800</u>	<u>1200</u>	<u>1600</u>	<u>Lifetime</u>
18-44	\$36	\$46	\$51	\$54	\$74
45-49	\$47	\$61	\$71	\$78	\$110
50	\$51	\$70	\$83	\$90	\$131
51	\$53	\$72	\$87	\$94	\$137
52	\$55	\$76	\$91	\$98	\$143
53	\$57	\$78	\$95	\$102	\$149
54	\$59	\$82	\$99	\$108	\$157
55	\$60	\$86	\$104	\$114	\$165
56	\$62	\$89	\$110	\$121	\$176
57	\$66	\$95	\$115	\$129	\$185
58	\$71	\$100	\$124	\$135	\$195
59	\$74	\$107	\$131	\$144	\$209
60	\$77	\$116	\$139	\$154	\$223
61	\$80	\$122	\$149	\$168	\$237
62	\$84	\$129	\$160	\$178	\$252
63	\$88	\$136	\$170	\$192	\$266
64	\$94	\$146	\$179	\$203	\$283
65	\$101	\$156	\$192	\$215	\$296
66	\$107	\$165	\$204	\$229	\$313
67	\$115	\$176	\$218	\$243	\$329
68	\$121	\$190	\$234	\$262	\$348
69	\$131	\$206	\$255	\$284	\$373
70	\$139	\$222	\$277	\$307	\$403
71	\$150	\$241	\$304	\$337	\$444
72	\$165	\$261	\$332	\$369	\$489
73	\$181	\$285	\$364	\$405	\$541
74	\$201	\$312	\$399	\$446	\$596
75	\$225	\$345	\$440	\$491	\$658
76	\$251	\$382	\$482	\$544	\$724
77	\$279	\$422	\$527	\$599	\$789
78	\$308	\$466	\$571	\$654	\$857
79	\$337	\$512	\$619	\$710	\$924
80	\$367	\$556	\$668	\$765	\$994
81	\$396	\$599	\$719	\$818	\$1,064
82	\$424	\$641	\$769	\$871	\$1,134
83	\$456	\$687	\$824	\$927	\$1,209
84	\$486	\$731	\$879	\$984	\$1,286
85+	\$568	\$838	\$997	\$1,102	\$1,364

Elimination Period Factors (Applied to 90 Day EP rates)

30 Day EP	1.14
60 Day EP	1.06
180 Day EP	0.91

State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care		
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03		

Supporting Document Schedules

Satisfied - Item:	Transmittal Letter (A&H)
Comments:	
Attachment(s):	PA_Cover Letter_MedAmerica_LRRS_20190319.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	PA_ActMemo_MedAmerica_LRRS_20190319.pdf PA_Supplement_MedAmerica_LRRS_20190319.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Advertisements (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Authorization to File (A&H)
Comments:	
Attachment(s):	Authorization to file MedAmerica 20190110.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Insert Page Explanation (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	

State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care		
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03		

Status Date:	
Satisfied - Item:	Rate Table (A&H)
Comments:	Rate Tables are attached on the Rate/Rule Schedule Tab.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Numerical Data in Excel
Comments:	
Attachment(s):	PA_Exhibits and Supplement Attachments_MedAmerica_LRRS_20190319.xlsb
Item Status:	
Status Date:	
Satisfied - Item:	Sample Policyholder Notification Letter
Comments:	
Attachment(s):	MAPA Legacy-Assumed CNF 5.5.17.pdf MAPA Legacy-Assumed PH Letter 6.29.17.pdf
Item Status:	
Status Date:	

SERFF Tracking #:	MILL-131786278	State Tracking #:	MILL-131786278	Company Tracking #:	CICA - MEDAMERICA
State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company		
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
Product Name:	Long-Term Care				
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03				

SERFF Tracking #:	MILL-131786278	State Tracking #:	MILL-131786278	Company Tracking #:	CICA - MEDAMERICA
State:	Pennsylvania	Filing Company:	MedAmerica Insurance Company		
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
Product Name:	Long-Term Care				
Project Name/Number:	CICA LTC Rate Increase Filing/145MAI01-40.03				

Attachment PA_Exhibits and Supplement Attachments_MedAmerica_LRRS_20190319.xlsb is not a PDF document and cannot be reproduced here.



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milliman.com

March 19, 2019

Honorable Jessica K. Altman
Insurance Commissioner
Pennsylvania Department of Insurance (Department)

Via SERFF

Re: MedAmerica Insurance Company (MedAmerica)
Company NAIC # 69515
SERFF Tracking # MILL-131786278
515 Series
Tax-Qualified Long-Term Care Policy Form 14515-PA
780 Series
Tax-Qualified Long-Term Care Policy Form 14785-PA

Dear Commissioner Altman:

On behalf of the company, we are submitting the referenced rate filing for your review. This is an existing product(s) that provides long-term care coverage. This product(s) was written by Combined Insurance Company of America (CICA) and issued in Pennsylvania from February 18, 1999 through June 1, 2008 and is no longer marketed in any jurisdiction.

In 2008, MedAmerica acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 16% of the policyholders nationwide objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on these series, including policies on CICA paper, and administers and manages the entire block.

The company is requesting a premium rate increase on the above-listed form(s), including all associated riders. The need for a premium rate increase is due to emerging and projected experience running more adverse than previously expected.

The company is requesting a premium rate increase that varies by series and inflation protection option to achieve the cumulative rate increases shown in the following table. The rate increase levels were determined to vary by series and inflation protection option to better align the rate increase with adverse experience. The following table provides the average prior, requested, and cumulative rate increases for the above-listed form(s) by series and inflation protection option.

Offices in Principal Cities Worldwide

This work product was prepared solely to provide assistance to MedAmerica. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

Pennsylvania-Specific Rate Increase Request

Series	Inflation Protection Option	Cumulative Prior Increase	Requested Increase	Cumulative Increase
515	No Inflation	38.0%	0.0%	38%
	Auto Inflation	38.0	66.7	130
780	No Inflation	0.0	0.0	0
	Auto Inflation	0.0	35.0	35
Average ^[1]		27.0	36.1	73

[1] As of December 31, 2017.

The cumulative prior increase reflects the two prior increases filed for use on the 515 Series policies in May 2014 and June 2015. There have been no previous rate revisions on the 780 series policies in this jurisdiction. The company is seeking this current rate increase request to help alleviate the adverse performance on this block of business.

Similar to the prior increase(s), the company will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, the company will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

The following electronic items are included with this submission:

- cover letter
- letter from MedAmerica authorizing submission of this filing on their behalf
- actuarial memorandum
- supplement to the actuarial memorandum
- current and proposed premium rate schedules
- sample policyholder notification letter*

**Please note that in the future slight variations in language may occur that do not materially change the information being provided to the policyholder. It is our understanding that such variations do not need to be filed with the Department.*

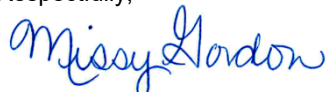
No filing fee is required for this submission.

The contact person for this filing is:

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Thank you for your assistance in reviewing this filing.

Respectfully,



Missy Gordon, FSA, MAAA
Principal and Consulting Actuary

MAG/jyw

Enclosures

MEDAMERICA INSURANCE COMPANY
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<u>Product</u>	<u>Number</u>
515 Series	
Tax-Qualified Long-Term Care Policy Form	14515-PA
780 Series	
Tax-Qualified Long-Term Care Policy Form	14785-PA

The company is requesting a rate increase on the above-listed long-term care policy form(s). Combined Insurance Company of America (CICA) wrote and issued this policy form(s) in Pennsylvania from February 18, 1999 through June 1, 2008 and is no longer marketing it in any jurisdiction.

In 2008, MedAmerica Insurance Company (MedAmerica) acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 16% of the policyholders nationwide objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on these series, including policies on CICA paper, and administers and manages the entire block.

Nationwide, the company is requesting a premium rate increase that varies by series and inflation protection option to achieve the same cumulative rate increase, except where limited by regulatory restrictions. This actuarial memorandum captures the pooled experience of the policy form(s) listed above as well as similar nationwide policy forms of the 515, 700, and 780 Series.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of demonstrating that the requested rate increase discussed in Section 2 meets the minimum requirements of the applicable sections of the 2014 National Association of Insurance Commissioners (NAIC) Long-Term Care Insurance Model Regulation (Model Regulation). The enclosed supplement to the actuarial memorandum demonstrates compliance with the applicable regulatory requirements of this jurisdiction to the extent they differ from the Model Regulation, and includes other commonly requested information of this jurisdiction. It may not be suitable for other purposes.

2. Requested Rate Increase

The company is requesting a rate increase that varies by series and inflation protection option. The level of the requested rate increase may vary nationwide in order to achieve the same cumulative rate increase nationwide as shown in the table below, except where limited by regulatory restrictions.

The cumulative rate increase levels were determined to vary by series and inflation protection option to better align the rate increase with the adverse experience. The company's goal is equity across all jurisdictions, to the extent practical. The rate increase was determined in such a way that minimizes subsidization across jurisdictions due to differences in the previously filed rate increases.

The table below provides the average prior, requested, and cumulative rate increases by series and inflation protection option based on the nationwide distribution of business. The enclosed cover letter provides similar information based on the jurisdiction-specific distribution and discloses the requested rate increase in this jurisdiction.

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Nationwide Average^[1] Rate Increase Request

Series	Inflation Protection Option	Prior Increase	Requested Increase	Cumulative Increase
515	No Inflation	22.5%	0.0%	23%
	Auto Inflation	26.2	82.2	130
700	No Inflation	0.0	0.0	0
	Auto Inflation	0.0	100.0	100
780	No Inflation	0.0	0.0	0
	Auto Inflation	0.0	35.0	35
Average		16.8	44.1	68

[1] As of December 31, 2017.

While the company does not currently anticipate additional rate increases, it will continue to monitor the business and reserves the right to request additional rate increases in the future.

Current rate tables are enclosed with this memorandum. Additionally, corresponding rate tables reflecting the proposed rate increases are enclosed with this filing. Please note that the actual rates implemented may vary from those in the enclosed rate tables slightly due to implementation rounding algorithms.

As the company is not currently marketing new business, the required statement that the renewal premium rate schedules are not greater than the new business premium rate schedules is not applicable.

3. Description of Benefits

These are individually underwritten policy forms that provide comprehensive coverage on a reimbursement basis. These forms have benefit eligibility requirements that involve activities of daily living (ADL) deficiencies or cognitive impairment. Waiver of premium is provided after the policyholder has been receiving covered care for 90 days and as long as the person continues to receive covered benefits. A daily benefit, benefit period, and elimination period were selected at issue. All policies have a lifetime premium payment term.

At issue, the insured may have been offered the option to elect an inflation protection rider that provides for benefit levels that increase on each anniversary date by 5% compounded annually for the life of the insured. The increasing benefits apply even when the insured is in claim status.

The available choices for benefit period and elimination period are shown in Section 21 below.

At issue, the insured may have been offered the option of selecting riders that provide the following types of coverage: non-forfeiture benefit, return of premium benefit, or additional community care benefit.

A contingent benefit upon lapse (CBUL) will be available to all insureds at the time of the rate increase.

4. Renewability

These policies are guaranteed renewable for life.

5. Applicability

This rate increase applies to all policies issued on the above-listed form(s) in this jurisdiction. The rate changes will apply to the premium of the base form and all applicable options and riders associated with the base form.

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6. Actuarial Assumptions

The following assumptions are used to project the experience shown in this filing.

- a. Morbidity reflects claim costs developed using the 2014 Milliman *Long-Term Care Guidelines (Guidelines)* with adjustments for underwriting selection, an all-lives exposure basis, and three years of retrospective improvement to bring the *Guidelines* forward to 2017. The claim costs were further adjusted based on historical claim experience by series, attained age, duration, payment type, and coverage type, to the extent credible. These adjustment factors can be found in Exhibit A-4a of Appendix A to this memorandum.
- b. Mortality Rates reflect the 1994 Group Annuitant Mortality (GAM) Static gender-distinct table with retrospective improvement applied to bring this table forward to 2017. These mortality rates are further adjusted based on historical mortality experience by issue age band and duration, as shown in the following table.

Mortality Durational Adjustment Factors												
Duration*	Issue Age											
	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
1	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	20%
2	35	35	35	35	35	35	35	35	35	35	35	30
3	40	40	40	40	40	40	40	40	40	40	40	45
4	43	43	43	43	43	43	43	43	44	45	45	50
5	46	46	46	46	46	46	46	46	48	50	50	55
6	49	49	49	49	49	49	49	49	52	55	55	60
7	52	52	52	52	52	52	52	52	56	60	60	65
8	55	55	55	55	55	55	55	55	60	65	65	70
9	56	56	56	56	56	56	56	56	61	68	69	76
10	57	57	57	57	57	57	57	57	62	71	73	82
11	58	58	58	58	58	58	58	58	63	74	77	88
12	59	59	59	59	59	59	59	59	64	77	81	94
13	60	60	60	60	60	60	60	60	65	80	85	100
14	62	62	62	62	62	62	62	62	69	82	88	101
15	64	64	64	64	64	64	64	64	73	84	91	102
16	66	66	66	66	66	66	66	66	77	86	94	103
17	68	68	68	68	68	68	68	68	81	88	97	104
18	70	70	70	70	70	70	70	70	85	90	100	105
23	70	70	70	70	70	70	70	85	90	100	105	105
28	70	70	70	70	70	70	70	85	90	100	105	105
33	70	70	70	70	70	85	90	100	105	105	105	105
38	70	70	70	70	85	90	100	105	105	105	105	105
43	70	70	70	85	90	100	105	105	105	105	105	105
48	70	70	85	90	100	105	105	105	105	105	105	105
53	70	85	90	100	105	105	105	105	105	105	105	105
58	85	90	100	105	105	105	105	105	105	105	105	105
63	90	100	105	105	105	105	105	105	105	105	105	105
68	100	105	105	105	105	105	105	105	105	105	105	105
73+	105	105	105	105	105	105	105	105	105	105	105	105

* The assumption varies by duration for 18+, but is shown every five years for display purposes.

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- c. Voluntary Lapse Rates vary by policy duration and series. All policies are in duration 7 or later as of the valuation date.

Duration	515 Series	700 and 780 Series
7	6.0%	3.5%
8	4.0	3.0
9	3.0	2.5
10	3.0	1.5
11	2.0	1.5
12+	2.0	1.5

- d. Benefit Expiry Rates reflect assumed policy termination due to exhaustion of benefits on limited benefit period policies. The rates are based on the *Guidelines* with adjustments for historical benefit expiry experience and vary by gender, benefit period, and attained age as shown in the following table.

Gender	Benefit Period in Days	Attained Age*										
		<65	65	70	75	80	85	90	95	100	105	110+
Female	400	0.0%	0.1%	0.1%	0.3%	0.7%	2.5%	6.1%	10.7%	13.4%	16.7%	33.0%
	800	0.0	0.0	0.1	0.2	0.5	1.6	4.5	8.7	11.7	16.3	33.0
	1200	0.0	0.0	0.1	0.1	0.4	1.2	3.4	6.9	9.7	15.0	33.0
	1600	0.0	0.0	0.0	0.1	0.3	1.0	2.5	5.0	7.8	13.2	33.0
	Unlimited	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Male	400	0.0	0.0	0.1	0.2	0.5	1.5	3.9	6.3	7.8	9.4	33.0
	800	0.0	0.0	0.1	0.1	0.3	1.0	2.5	4.3	5.4	7.3	33.0
	1200	0.0	0.0	0.1	0.1	0.2	0.7	1.7	3.0	4.0	5.8	33.0
	1600	0.0	0.0	0.0	0.1	0.1	0.4	1.1	2.0	2.8	4.6	33.0
	Unlimited	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

* The assumption varies by attained age, but is shown every five years for display purposes.

- e. Policyholder Behavior Due to the Rate Increase. At the time of a rate increase, insureds have the option to elect a CBUL or reduced benefit option (RBO). An increase in morbidity for adverse selection due to the rate increase based on the percentage of policies that elect CBUL and RBO is assumed.

Insureds who elect a CBUL are modeled as a lapse (i.e., the CBUL benefit is not modeled), which results in a slightly lower lifetime loss ratio than if the CBUL benefit had been modeled. The following table provides the CBUL and RBO election rates, reduction to premiums and benefits due to the impact of RBO elections, and increase in morbidity based on the nationwide cumulative rate increase levels by series and inflation protection option.

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Policyholder Behavior Assumptions^[1]

Series	CBUL Election Rate	RBO Election Rate	Approximate Reduction for RBO	Morbidity Increase for Adverse Selection
<i>No Inflation</i>				
All	0%	0%	0%	0.0%
<i>Auto Inflation</i>				
515	11	20	13	5.5
700	11	20	11	5.5
780	6	5	1	2.0

[1] The values shown are based on the cumulative amounts found in Section 2. The assumption is applied on a serialim basis and prorated for the requested increase needed to achieve the cumulative amounts in Section 2.

- f. Interest Rate consistent with the maximum valuation interest rate applicable to the year of issue (ranges from 4.0% to 4.5% and averages 4.4%) is used to demonstrate compliance with the minimum loss ratio requirements.
- g. Annual Improvement in the mortality and morbidity assumptions is assumed for 15 years starting in 2018. Annual mortality improvement factors vary by attained age based on the G2 improvement scale from the 2012 Individual Annuity Mortality table. Annual morbidity improvement is assumed to be 1.0%.
- h. Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate, except that reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium are similar (i.e., commissions are not paid on the increased premium).

The above assumptions are based on the experience of policies issued by CICA and its sister company Combined Life Insurance Company of New York (CLICNY) that issued the same products, industry experience, and actuarial judgment. The above assumptions are deemed reasonable for the particular policy form(s) in this filing and are considered “most likely” (without explicit margin).

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy forms were taken into consideration. Appendix A to this memorandum provides a description of the development of and justification for the assumptions used in this filing.

The company is not currently marketing long-term care products. As a result, the requirement to reflect on any assumptions that deviate from those used for pricing other forms currently available for sale is not applicable.

7. Marketing Method

These policy forms were marketed by agents of CICA and by estate-planning consultants.

8. Underwriting Description

These policies were individually underwritten with the use of various underwriting tools in addition to the application, which may have included medical records, cognitive screening, telephone interview and/or face-to-face assessment.

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9. Premiums

Premiums are unisex and payable for life. The premiums may vary by policy form, issue age, elimination period, benefit period, initial daily benefit, inflation protection option, marital status at issue, and the selection of any riders.

10. Issue Age Range

Issue ages are from 18 to 84.

11. Area Factors

Area factors are not used for these products.

12. Premium Modalization Rules

The following modal factors and percent distributions (based on the nationwide in-force count as of December 31, 2017) are applied to the annual premium (AP):

Premium Mode	Modal Factors	Percent Distribution
Annual	1.000*AP	19%
Semi-Annual	0.520*AP	4
Quarterly	0.265*AP	3
Monthly	0.090*AP	74

13. Reserves

Active life reserves and reserves for the election of a CBUL have not been used in the experience exhibits for this rate increase analysis except as described in the supplement to the actuarial memorandum. Claim reserves as of December 31, 2017 have been discounted to the incurral date of each respective claim and included in historical incurred claims. An incurred but not reported (IBNR) reserve balance as of December 31, 2017 has been allocated to the 2017 calendar year and included in historical incurred claims.

14. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

15. Demonstration of Satisfaction of Loss Ratio Requirements

This filing uses the nationwide pooled experience of the 515, 700, and 780 Series. The pooled experience is appropriate as the forms have similar benefits, it is consistent with how MedAmerica manages the business, and combining experience increases credibility.

Exhibit I provides actual and projected experience using current assumptions. Actual experience is provided from inception through 2017 and then projected on a seriatim basis for 50 years using the current assumptions described above in Section 6. The actual and projected experience is based on nationwide premiums that reflect prior rate increases filed for use between 2013 and 2016, which average 17% across all jurisdictions and series. The after increase projected experience reflects the additional increase needed to achieve the cumulative increase by series and inflation protection option (shown in Section 2) on a seriatim basis.

Values in Exhibit I are shown (a) before and (b) after the nationwide requested rate increase. Included are calendar year earned premiums, incurred claims, end of year lives, and annual loss ratios. As shown in Exhibit I-b, the anticipated lifetime loss ratio with the nationwide requested rate increase exceeds the minimum loss ratio required by pre-rate stability regulation.

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The following table demonstrates that the nationwide lifetime loss ratios by series also exceed the minimum loss ratio required by pre-rate stability regulation. The 'All' row corresponds to that shown in Exhibit I.

Nationwide Lifetime Loss Ratios at the Maximum Valuation Interest Rate

Series	Inflation Protection Option	Before Increase	After Increase
All	No Inflation	63%	63%
	Auto Inflation	115	97
	All	92	83
515	No Inflation	64	64
	Auto Inflation	118	99
	All	94	84
700	No Inflation	82	82
	Auto Inflation	109	83
	All	99	83
780	No Inflation	59	59
	Auto Inflation	103	92
	All	79	75

Exhibit II provides a demonstration that the nationwide requested rate increase meets the 58%/85% test required by post-rate stability regulation. This exhibit shows that the sum of the accumulated value of incurred claims without the inclusion of active life reserves, and the present value of projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of the following:

1. Accumulated value of the initial earned premium times 58%,
2. 85% of the accumulated value of prior premium rate schedule increases,
3. Present value of projected initial earned premium times 58%, and
4. 85% of the present value of projected premium in excess of the projected initial earned premium.

The projected incurred claims in Exhibit II were increased by 15% from the current assumptions described in Section 6 to reflect assumptions that include moderately adverse conditions.

The following table demonstrates that the 58%/85% test is passed by series and inflation protection option. The 'All' row corresponds to that shown in Exhibit II. Dollar values in the table are shown in millions.

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Nationwide 58%/85% Test

Series	Inflation Protection Option	Item 5 ^[1]	Item 7 ^[2]	Result ^[3]
All	No Inflation	\$83.2	\$97.3	Pass
	Auto Inflation	114.5	201.9	Pass
	All	197.7	299.2	Pass
515	No Inflation	63.2	73.3	Pass
	Auto Inflation	93.0	165.6	Pass
	All	156.1	238.9	Pass
700	No Inflation	2.9	4.4	Pass
	Auto Inflation	6.0	9.1	Pass
	All	8.8	13.4	Pass
780	No Inflation	17.1	19.7	Pass
	Auto Inflation	15.6	27.2	Pass
	All	32.7	46.9	Pass

[1] Item 5 is the Lifetime Earned Premium Times Prescribed Factor.

[2] Item 7 is Lifetime Incurred Claims with Rate Increase.

[3] Test of whether Item 7 is not less than Item 5.

16. Actual-to-Expected Experience

The following table provides a comparison of actual and projected nationwide experience using current assumptions to that expected using original pricing assumptions. Values in the following table are shown (a) before and (b) after the nationwide requested rate increase.

Nationwide Actual and Expected Loss Ratios

Series	Inflation Protection Option	Lifetime Loss Ratio			Actual-to-Expected	
		Before Increase	After Increase	Expected	Before Increase	After Increase
All	No Inflation	60%	60%	59%	1.03	1.03
	Auto Inflation	106	90	60	1.75	1.49
	All	85	77	59	1.43	1.29
515	No Inflation	61	61	60	1.01	1.01
	Auto Inflation	109	92	61	1.78	1.51
	All	88	79	61	1.45	1.30
700	No Inflation	78	78	54	1.45	1.45
	Auto Inflation	98	75	55	1.77	1.36
	All	90	76	55	1.65	1.39
780	No Inflation	54	54	53	1.02	1.02
	Auto Inflation	89	80	56	1.59	1.43
	All	70	66	54	1.29	1.22

Actual and projected experience in the above table is identical to that described in Exhibit I, except uses the current most-likely interest rate assumption of 5.00%. This rate represents MedAmerica's expectation of its long-term investment earnings rate based on the average net investment earnings rate projected for MedAmerica's 2017 cash flow testing.

Expected experience uses the actual policies sold and projects from issue on a seriatim basis using the original pricing assumptions for each series or, if not available, the original pricing assumptions from another policy form that was priced during a similar era.

Exhibit III provides a comparison of the current and original pricing assumptions that underlie the actual and expected experience described above.

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17. History of Previous Rate Revisions

Please see the enclosed cover letter, which provides the jurisdiction-specific average prior rate increase and rate history for the 515 Series. No prior rate increases have been filed for use on the 700 and 780 Series.

Nationwide, there has been one prior rate increase request on the 515 Series block of business, which began in December 2013. Departments of insurance filed these increases for use between 2013 and 2016. On average, a cumulative increase of 25% has been filed for use on the 515 Series forms. There have been no prior rate increases on the 700 and 780 Series.

18. Analysis Performed to Consider a Rate Increase

The experience table in Section 16 above demonstrates that experience has been more adverse from that expected using original pricing assumptions as the A:E loss ratios exceed 1.0. The adverse experience is due to a combination of higher persistency, higher morbidity, and lower interest.

The following table provides a comparison of actual and projected nationwide experience to that expected in pricing with respect to morbidity, mortality, lapse (combination of voluntary lapse and benefit expiry), interest, and improvement. The current and expected assumptions are provided in Exhibit III. Please note that to isolate the impact of each changed assumption from pricing, the experience in the table below has been restated to reflect no prior rate increases.

Impact of Changing from Pricing to Current Assumptions

Scenario	Lifetime Loss Ratio (LLR)	Incremental Impact on the LLR^[1]	Increase Needed^[2]
Original pricing assumptions	59%	N/A	N/A
Historical experience through 2017 & projections with pricing assumptions	62	4%	50%
Historical experience through 2017 & projections with pricing assumptions, except for current:			
Interest	68	10	100
Interest, lapse	74	9	81
Interest, lapse, mortality	87	18	136
Interest, lapse, mortality, morbidity	93	7	53
Interest, lapse, mortality, morbidity, improvement	86	-7	-57
Historical experience through 2017 & projections with all current most-likely assumptions ^[3]	86	45	343

^[1] Calculated as the ratio of the lifetime loss ratio in a given row to that in the row immediately above it less one.

^[2] Shows the rate increase needed to reproduce the lifetime loss ratio in the row immediately above it. Calculated without regard to CBUL, RBO, adverse selection, and higher waiver claims due to the needed rate increase.

^[3] This row is calculated in regards to the pricing lifetime loss ratio of 59%.

For the 515 Series, this rate increase request is a follow-up to the 2013 nationwide rate increase request. The 2013 nationwide requested increase was determined such that the company was able to certify that rates would remain stable under moderately adverse experience (MAE). The company's threshold for MAE was defined as a lifetime loss ratio of 85%.

If the 515 Series experience is restated to reflect the rate level requested and projected using current assumptions, then the resulting lifetime loss ratio is 86%. As the 515 Series experience has deteriorated beyond the 85% lifetime loss ratio threshold, additional rate increases could be considered.

A comparison of the current assumptions used in this filing and the assumptions used in the 2013 nationwide request is provided in Exhibit IV.

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For the 700 and 780 Series, an analysis of the projected loss ratio compared to that assumed at the time of original pricing revealed that experience has unfolded more than moderately adverse and crossed the original pricing threshold for which the company could consider a rate increase.

Documentation of the original pricing definition for moderately adverse experience is not explicitly stated for the 700 and 780 Series. However, the original pricing documentation for the 700 and 780 Series states that margin of 10% was included in determining statutory contract reserves. This definition of margin is consistent with the MAE definition used by MedAmerica for similar products priced around the same time. Therefore, the assumed original pricing threshold before which a rate increase may be considered is a 10% increase in the original pricing lifetime loss ratio. Section 16 demonstrates that the lifetime loss ratios are well in excess of this assumed original pricing threshold (i.e., before increase A:E exceeds 1.10).

19. Average Annual Premium in Pennsylvania (Based on December 31, 2017 In-Force)

The number of insureds and the corresponding average annual premium that will be affected by this rate increase filing(s) in this jurisdiction are shown in the table(s) below by series and inflation protection option.

Pennsylvania – MedAmerica				
Series	Inflation Protection Option	Number of Insureds	Before Increase Premium	After Requested Increase Premium
515 Series	No Inflation	95	\$941	\$941
	Auto Inflation	107	1,373	2,288
	All	202	1,170	1,654
780 Series	No Inflation	34	998	998
	Auto Inflation	24	1,505	2,032
	All	58	1,208	1,426
Total	No Inflation	129	956	956
	Auto Inflation	131	1,397	2,241
	All	260	1,178	1,603

20. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 60-day policyholder notification period following being filed for use by the department of insurance.

21. Distribution of Business as of December 31, 2017 (Based on Nationwide In-Force Insured Count)

Issue Ages	Percent Distribution
<40	1%
40-44	2
45-49	3
50-54	11
55-59	17
60-64	32
65-69	26
70-74	7
75+	1

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Elimination Period	Percent Distribution
20-Day	15%
30-Day	9
60-Day	3
90-Day	70
180-Day	3

Benefit Period	Percent Distribution
400 Days	9%
800 Days	21
1200 Days	32
1600 Days	19
Lifetime	19

Inflation Protection Option	Percent Distribution
None	49%
5% Compound for Life	51

Coverage Type	Percent Distribution
Facility Only	<1%
Comprehensive	99
Home Health Only	1

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22. Number of Insureds and Annualized Premium (Based on December 31, 2017 In-Force)

The number of insureds and annualized premium that will be affected by this rate increase filing(s) in this jurisdiction and nationwide are shown in the tables below by series and inflation protection option.

Pennsylvania – MedAmerica

Series	Inflation Protection Option	Number of Insureds	Annualized Premium
515 Series	No Inflation	95	\$89,365
	Auto Inflation	107	146,899
	All	202	236,264
780 Series	No Inflation	34	33,923
	Auto Inflation	24	36,122
	All	58	70,045
Total	No Inflation	129	123,288
	Auto Inflation	131	183,021
	All	260	306,309

Nationwide – MedAmerica, CICA, and CLICNY

Series	Inflation Protection Option	Number of Insureds	Annualized Premium
515 Series	No Inflation	1,802	\$2,118,578
	Auto Inflation	2,361	3,558,233
	All	4,163	5,676,811
700 Series	No Inflation	127	131,628
	Auto Inflation	180	254,711
	All	307	386,339
780 Series	No Inflation	994	974,844
	Auto Inflation	531	798,455
	All	1,525	1,773,299
Total	No Inflation	2,923	3,225,050
	Auto Inflation	3,072	4,611,399
	All	5,995	7,836,449

Actuarial Memorandum

March 19, 2019

23. Actuarial Certification

I am a Principal and Consulting Actuary for Milliman, Inc. and retained by MedAmerica to render an opinion with regard to long-term care insurance rates. I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards to render this actuarial opinion and am familiar with the requirements for filing long-term care insurance premiums and rate increases.

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of this department of insurance.

In my opinion, the rates are not excessive or unfairly discriminatory, and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction.

This filing will enhance premium adequacy, but may not be sufficient to prevent future rate action. Additional rate increases are needed to certify that rates will remain stable under moderately adverse conditions.

In forming my opinion, I have used actuarial assumptions and actuarial methods (which gave consideration to policy design, underwriting, and claim adjudication) and such tests of the actuarial calculations as I considered necessary. Based on these assumptions, or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by MedAmerica to develop this memorandum, including but not limited to management's view of when a rate change may be considered, policy design, underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided, but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.



Missy Gordon, FSA, MAAA
Principal and Consulting Actuary

Date: March 19, 2019

Exhibit I-a
MedAmerica, CICA, and CLICNY
Actual and Projected Experience using Current Assumptions by Calendar Year
Nationwide Experience Before Requested Rate Increase
515, 700, and 780 Series

		Loss Ratio Demonstration						
		Without Interest			With Max. Val. Interest			
	Calendar Year	A	B	C = B / A	D	E	F	G = F / E
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio
Historical Experience	1997	1,404	0	0%	23	3,463	0	0%
	1998	365,019	0	0%	789	861,160	0	0%
	1999	1,714,717	43,198	3%	2,811	3,871,184	97,525	3%
	2000	3,840,098	190,025	5%	4,181	8,296,166	410,532	5%
	2001	5,786,651	263,180	5%	6,197	11,963,164	544,091	5%
	2002	8,213,556	587,804	7%	8,017	16,249,266	1,162,880	7%
	2003	9,337,136	266,048	3%	8,572	17,676,647	503,671	3%
	2004	9,694,456	1,042,726	11%	8,787	17,562,784	1,889,035	11%
	2005	10,104,159	2,846,576	28%	9,506	17,516,761	4,934,878	28%
	2006	11,387,253	2,642,017	23%	10,611	18,790,134	4,383,015	23%
	2007	12,244,844	1,695,018	14%	10,739	19,241,554	2,682,942	14%
	2008	12,052,895	2,394,190	20%	10,226	18,122,251	3,633,112	20%
	2009	11,306,015	4,193,482	37%	9,441	16,288,051	6,062,086	37%
	2010	10,575,892	3,324,627	31%	8,931	14,598,001	4,625,036	32%
	2011	10,015,916	5,619,319	56%	8,507	13,243,757	7,476,157	56%
	2012	9,547,964	3,904,716	41%	8,133	12,093,553	4,968,352	41%
	2013	9,065,895	5,459,461	60%	7,792	10,999,923	6,645,598	60%
	2014	8,562,633	5,877,615	69%	7,110	9,951,938	6,845,771	69%
Projected Future Experience (50 Years)	2015	8,387,584	5,791,254	69%	6,644	9,338,478	6,455,525	69%
	2016	8,278,826	7,309,333	88%	6,273	8,829,810	7,805,358	88%
	2017	7,924,318	9,096,573	115%	5,995	8,096,247	9,296,693	115%
	2018	7,577,672	8,546,999	113%	5,690	7,416,836	8,362,688	113%
	2019	7,167,214	9,360,591	131%	5,383	6,720,687	8,768,151	130%
	2020	6,730,884	10,179,242	151%	5,076	6,047,026	9,128,818	151%
	2021	6,292,942	10,959,076	174%	4,769	5,416,997	9,410,262	174%
	2022	5,859,772	11,701,726	200%	4,463	4,833,386	9,621,362	199%
	2023	5,433,259	12,428,041	229%	4,161	4,294,676	9,785,449	228%
	2024	5,015,416	13,081,105	261%	3,863	3,799,375	9,863,966	260%
	2025	4,608,373	13,642,517	296%	3,571	3,346,007	9,852,628	294%
	2026	4,214,069	14,091,787	334%	3,287	2,932,901	9,747,961	332%
	2027	3,834,319	14,417,616	376%	3,012	2,558,267	9,553,908	373%
	2028	3,470,877	14,622,313	421%	2,746	2,220,273	9,283,603	418%
	2029	3,125,348	14,713,115	471%	2,493	1,917,013	8,951,432	467%
	2030	2,799,256	14,665,078	524%	2,252	1,646,566	8,551,593	519%
	2031	2,493,794	14,479,238	581%	2,024	1,406,883	8,093,170	575%
	2032	2,209,846	14,180,895	642%	1,811	1,195,832	7,598,300	635%
	2033	1,947,628	13,873,758	712%	1,613	1,011,048	7,126,498	705%
	2034	1,706,966	13,559,874	794%	1,429	850,146	6,677,531	785%
	2035	1,487,834	13,193,860	887%	1,260	710,999	6,228,489	876%
	2036	1,290,093	12,768,026	990%	1,106	591,591	5,778,218	977%
	2037	1,113,131	12,302,029	1,105%	967	489,859	5,337,804	1,090%
	2038	955,905	11,789,245	1,233%	841	403,735	4,904,985	1,215%
	2039	817,185	11,227,416	1,374%	729	331,277	4,479,435	1,352%
	2040	695,610	10,600,638	1,524%	630	270,680	4,056,699	1,499%
	2041	589,728	9,953,953	1,688%	542	220,288	3,654,205	1,659%
	2042	498,009	9,292,533	1,866%	465	178,589	3,272,864	1,833%
	2043	418,912	8,628,033	2,060%	397	144,227	2,915,747	2,022%
	2044	351,026	7,984,199	2,275%	338	116,036	2,589,187	2,231%
	2045	293,027	7,350,590	2,509%	286	93,005	2,287,435	2,459%
	2046	243,710	6,706,895	2,752%	242	74,275	2,002,488	2,696%
	2047	202,003	6,067,658	3,004%	204	59,118	1,738,292	2,940%
	2048	166,869	5,470,424	3,278%	172	46,897	1,503,819	3,207%
	2049	137,400	4,902,356	3,568%	144	37,084	1,293,330	3,488%
	2050	112,821	4,391,025	3,892%	120	29,243	1,112,377	3,804%
	2051	92,425	3,961,726	4,286%	100	23,009	964,548	4,192%
	2052	75,550	3,586,810	4,748%	83	18,065	839,630	4,648%
	2053	61,646	3,224,827	5,231%	69	14,158	726,283	5,130%
	2054	50,227	2,896,132	5,766%	58	11,081	627,943	5,667%
	2055	40,868	2,589,446	6,336%	48	8,661	540,605	6,242%
	2056	33,210	2,274,986	6,850%	39	6,761	456,886	6,757%
	2057	26,943	1,969,023	7,308%	32	5,270	380,193	7,215%
	2058-2062	74,196	6,377,516	8,595%	93	13,097	1,104,434	8,433%
	2063-2067	23,772	2,681,932	11,282%	32	3,418	376,548	11,017%
History		168,407,232	62,547,161	37%	149,285	253,594,290	80,422,257	32%
Future		84,339,734	390,694,249	463%	66,640	61,514,343	209,549,761	341%
Lifetime		252,746,965	453,241,411	179%	215,925	315,108,634	289,972,018	92%

Exhibit I-b
MedAmerica, CICA, and CLICNY
Actual and Projected Experience using Current Assumptions by Calendar Year
Nationwide Experience After Requested Rate Increase
515, 700, and 780 Series

		Loss Ratio Demonstration						
		Without Interest			With Max. Val. Interest			
	Calendar Year	A	B	C = B / A	D	E	F	G = F / E
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio
Historical Experience	1997	1,404	0	0%	23	3,463	0	0%
	1998	365,019	0	0%	789	861,160	0	0%
	1999	1,714,717	43,198	3%	2,811	3,871,184	97,525	3%
	2000	3,840,098	190,025	5%	4,181	8,296,166	410,532	5%
	2001	5,786,651	263,180	5%	6,197	11,963,164	544,091	5%
	2002	8,213,556	587,804	7%	8,017	16,249,266	1,162,880	7%
	2003	9,337,136	266,048	3%	8,572	17,676,647	503,671	3%
	2004	9,694,456	1,042,726	11%	8,787	17,562,784	1,889,035	11%
	2005	10,104,159	2,846,576	28%	9,506	17,516,761	4,934,878	28%
	2006	11,387,253	2,642,017	23%	10,611	18,790,134	4,383,015	23%
	2007	12,244,844	1,695,018	14%	10,739	19,241,554	2,682,942	14%
	2008	12,052,895	2,394,190	20%	10,226	18,122,251	3,633,112	20%
	2009	11,306,015	4,193,482	37%	9,441	16,288,051	6,062,086	37%
	2010	10,575,892	3,324,627	31%	8,931	14,598,001	4,625,036	32%
	2011	10,015,916	5,619,319	56%	8,507	13,243,757	7,476,157	56%
	2012	9,547,964	3,904,716	41%	8,133	12,093,553	4,968,352	41%
	2013	9,065,895	5,459,461	60%	7,792	10,999,923	6,645,598	60%
	2014	8,562,633	5,877,615	69%	7,110	9,951,938	6,845,771	69%
Projected Future Experience (50 Years)	2015	8,387,584	5,791,254	69%	6,644	9,338,478	6,455,525	69%
	2016	8,278,826	7,309,333	88%	6,273	8,829,810	7,805,358	88%
	2017	7,924,318	9,096,573	115%	5,995	8,096,247	9,296,693	115%
	2018	7,577,672	8,546,999	113%	5,690	7,416,836	8,362,688	113%
	2019	7,406,732	9,260,310	125%	5,244	6,945,168	8,674,253	125%
	2020	8,229,978	9,477,697	115%	4,807	7,392,583	8,500,083	115%
	2021	7,911,798	10,067,545	127%	4,515	6,808,693	8,645,474	127%
	2022	7,375,827	10,713,134	145%	4,224	6,081,732	8,809,594	145%
	2023	6,846,870	11,339,685	166%	3,937	5,409,632	8,929,957	165%
	2024	6,327,432	11,898,322	188%	3,653	4,790,666	8,973,944	187%
	2025	5,820,217	12,372,147	213%	3,376	4,223,158	8,937,476	212%
	2026	5,327,727	12,746,089	239%	3,106	3,705,187	8,819,837	238%
	2027	4,852,352	13,009,492	268%	2,845	3,234,701	8,624,013	267%
	2028	4,396,453	13,165,777	299%	2,593	2,809,598	8,362,505	298%
	2029	3,962,212	13,220,522	334%	2,353	2,427,659	8,047,413	331%
	2030	3,551,714	13,153,647	370%	2,124	2,086,632	7,674,698	368%
	2031	3,166,632	12,964,201	409%	1,909	1,784,075	7,251,137	406%
	2032	2,808,222	12,676,178	451%	1,707	1,517,413	6,797,113	448%
	2033	2,476,865	12,381,447	500%	1,520	1,283,745	6,365,209	496%
	2034	2,172,429	12,081,994	556%	1,346	1,080,118	5,955,139	551%
	2035	1,894,954	11,736,418	619%	1,186	903,892	5,545,891	614%
	2036	1,644,328	11,339,710	690%	1,041	752,557	5,137,204	683%
	2037	1,419,824	10,910,385	768%	909	623,529	4,739,257	760%
	2038	1,220,167	10,442,885	856%	791	514,218	4,349,978	846%
	2039	1,043,836	9,935,783	952%	686	422,180	3,969,093	940%
	2040	889,145	9,375,834	1,054%	592	345,150	3,592,757	1,041%
	2041	754,295	8,801,937	1,167%	509	281,045	3,235,825	1,151%
	2042	637,376	8,216,467	1,289%	436	227,961	2,898,157	1,271%
	2043	536,460	7,629,802	1,422%	372	184,187	2,582,448	1,402%
	2044	449,775	7,060,972	1,570%	317	148,251	2,293,599	1,547%
	2045	375,667	6,501,351	1,731%	269	118,878	2,026,731	1,705%
	2046	312,614	5,931,737	1,897%	227	94,979	1,774,371	1,868%
	2047	259,261	5,367,278	2,070%	191	75,630	1,540,712	2,037%
	2048	214,294	4,840,601	2,259%	161	60,022	1,333,490	2,222%
	2049	176,555	4,340,691	2,459%	135	47,483	1,147,712	2,417%
	2050	145,063	3,891,637	2,683%	113	37,462	988,218	2,638%
	2051	118,913	3,515,431	2,956%	94	29,488	858,071	2,910%
	2052	97,261	3,187,009	3,277%	78	23,161	748,066	3,230%
	2053	79,413	2,869,654	3,614%	65	18,161	648,160	3,569%
	2054	64,742	2,580,992	3,987%	54	14,219	561,326	3,948%
	2055	52,711	2,310,777	4,384%	45	11,119	483,968	4,353%
	2056	42,860	2,032,191	4,741%	37	8,683	409,473	4,716%
	2057	34,793	1,760,276	5,059%	30	6,770	341,037	5,038%
	2058-2062	95,975	5,701,857	5,941%	87	16,844	990,910	5,883%
	2063-2067	30,917	2,390,369	7,731%	29	4,415	336,776	7,627%
History		168,407,232	62,547,161	37%	149,285	253,594,290	80,422,257	32%
Future		102,802,334	351,747,225	342%	63,402	73,967,883	190,263,761	257%
Lifetime		271,209,566	414,294,386	153%	212,687	327,562,174	270,686,019	83%

Exhibit II
Demonstration that the Requested Cumulative Rate Increase Passes the 58%/85% Loss Ratio Minimum
MedAmerica, CICA, and CLICNY Nationwide Experience with Prior Approved Increases
515, 700, and 780 Series

1	Accumulated value of initial earned premium	250,705,728	x	58%	=	145,409,322
2a	Accumulated value of earned premium	253,594,290				
2b	Accumulated value of prior premium rate schedule increases (2a - 1)	2,888,562	x	85%	=	2,455,278
3	Present value of future projected initial earned premium	48,403,964	x	58%	=	28,074,299
4a	Present value of future projected premium	73,967,883				
4b	Present value of future projected premium in excess of the projected initial earned premiums (4a - 3)	25,563,919	x	85%	=	21,729,331
5	Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3, and 4b					197,668,231
6a	Accumulated value of incurred claims without the inclusion of active life reserves					80,422,257
6b	Present value of future projected incurred claims without the inclusion of active life reserves					218,803,325
7	Lifetime Incurred Claims with Rate Increase: Sum 6a and 6b					299,225,583
8	Test: 7 is not less than 5					Pass

All values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue, which ranges from 4.0% to 4.5%.

Future projected initial earned premium schedule (i.e., without the requested rate increase) reflects the assumed impact of CBUL and RBO.

The future projected incurred claims (item 6b) were increased by 15% to reflect assumptions with moderately adverse experience.

Exhibit III
MedAmerica, CICA, and CLICNY
Comparison of Current and Original Pricing Assumptions

Current Assumptions	All CICA	<p style="text-align: center;">Morbidity</p> <p>Claim costs are developed using the 2014 Milliman <i>Long-Term Care Guidelines (Guidelines)</i> with adjustments for underwriting selection, an all-lives exposure basis, and three years of retrospective improvement to bring the <i>Guidelines</i> forward to 2017. The claim costs were further adjusted based on historical claim experience by series, attained age, duration, payment type, and coverage type, to the extent credible. These adjustment factors can be found in Exhibit A-4a of Appendix A of the actuarial memorandum.</p> <p>The pricing claim costs were developed from the 1997 <i>Guidelines</i>. All values were adjusted to reflect the effects of the nature of the benefits, the elimination periods, policy maximums, and the eligibility standards. The claim costs include factors to adjust them to an all-lives exposure base. These claim costs do not necessarily represent the original pricing claim costs because MedAmerica did not receive the original pricing claim costs at the time of acquisition. These claim costs are a reasonable proxy of the original pricing claim costs based on a reproduction of the original pricing lifetime loss ratio.</p>																											
Original Assumptions	All CICA																												
Current Assumptions	All CICA	<p style="text-align: center;">Mortality</p> <p>1994 Group Annuitant Mortality (GAM) Static gender-distinct table with retrospective improvement applied to bring this table forward to 2017. These mortality rates are further adjusted based on historical mortality experience by issue age band and duration. A table providing these adjustment factors is provided in Section 6 of the actuarial memorandum.</p> <p>Ultimate mortality level of 95% of U.S. Life Mortality (79-81). While the original pricing selection factors were not available, selection factors grading from 50% to 95% over the first 10 durations were assumed.</p> <p>1983 GAM Table without selection.</p>																											
Original Assumptions	515 Series and 700 Series Not Issued in Florida 700 Series Issued in Florida and 780 Series																												
Current Assumptions	All CICA	<p style="text-align: center;">Lapse Rates</p> <p>Voluntary lapse rates (excludes benefit expiry) vary by policy duration and series. All policies are in duration 7 or later as of the valuation date.</p> <table border="1" data-bbox="604 686 867 857"> <thead> <tr> <th colspan="3">Lapse Rate Assumptions</th></tr> <tr> <th colspan="3">700 and 780 Series</th></tr> <tr> <th>Duration</th><th>515 Series</th><th>780 Series</th></tr> </thead> <tbody> <tr> <td>7</td><td>6.0%</td><td>3.5%</td></tr> <tr> <td>8</td><td>4.0%</td><td>3.0%</td></tr> <tr> <td>9</td><td>3.0%</td><td>2.5%</td></tr> <tr> <td>10</td><td>3.0%</td><td>1.5%</td></tr> <tr> <td>11</td><td>2.0%</td><td>1.5%</td></tr> <tr> <td>12+</td><td>2.0%</td><td>1.5%</td></tr> </tbody> </table>	Lapse Rate Assumptions			700 and 780 Series			Duration	515 Series	780 Series	7	6.0%	3.5%	8	4.0%	3.0%	9	3.0%	2.5%	10	3.0%	1.5%	11	2.0%	1.5%	12+	2.0%	1.5%
Lapse Rate Assumptions																													
700 and 780 Series																													
Duration	515 Series	780 Series																											
7	6.0%	3.5%																											
8	4.0%	3.0%																											
9	3.0%	2.5%																											
10	3.0%	1.5%																											
11	2.0%	1.5%																											
12+	2.0%	1.5%																											

Exhibit III
MedAmerica, CICA, and CLICNY
Comparison of Current and Original Pricing Assumptions

		Lapse Rates													
		Lapse rates vary by policy form series, duration, and issue age.													
		515 Series (Not Issued in New York)								515 Series (Issued in New York)					
		Issue Age								Issue Age					
Duration	<55	55-59	60-64	65-69	70-74	75-79	80+	<55	55-59	60-64	65-69	70-74	75-79	80+	
1	20.00%	18.00%	18.00%	18.00%	14.00%	12.00%	10.00%	20.00%	18.00%	16.00%	14.00%	12.00%	10.00%	10.00%	
2	16.00%	15.00%	15.00%	15.00%	12.00%	10.00%	8.00%	15.00%	14.00%	12.00%	10.00%	8.00%	6.00%	6.00%	
3	13.00%	12.00%	12.00%	12.00%	10.00%	9.00%	7.00%	10.00%	10.00%	9.00%	6.00%	6.00%	4.00%	4.00%	
4	11.00%	10.00%	10.00%	10.00%	9.00%	8.00%	7.00%	8.00%	8.00%	6.00%	5.00%	4.00%	3.00%	3.00%	
5	10.00%	9.00%	9.00%	9.00%	8.00%	7.00%	6.00%	6.00%	6.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
6	10.00%	9.00%	8.00%	8.00%	7.00%	7.00%	6.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
7	10.00%	9.00%	8.00%	7.00%	6.00%	6.00%	5.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
8	9.00%	8.00%	8.00%	7.00%	6.00%	6.00%	5.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
9	9.00%	8.00%	7.00%	7.00%	5.00%	5.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
10	9.00%	8.00%	7.00%	6.00%	5.00%	5.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
11	8.00%	8.00%	7.00%	6.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
12	8.00%	7.00%	6.00%	6.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
13	8.00%	7.00%	6.00%	5.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
14	7.00%	7.00%	6.00%	5.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
15	7.00%	6.00%	6.00%	5.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
16	6.00%	6.00%	6.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
17	6.00%	6.00%	5.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
18	5.00%	5.00%	5.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
19	5.00%	5.00%	5.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
20+	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
Duration	700 Series (Not Issued in Florida)							700 Series (Issued in Florida)							
	Issue Age							Issue Age							
Duration	<55	55-59	60-64	65-69	70-74	75-79	80+	<55	55-59	60-64	65-69	70-74	75-79	80+	
1	20.00%	18.00%	18.00%	18.00%	14.00%	12.00%	10.00%	20.00%	18.00%	18.00%	18.00%	14.00%	12.00%	10.00%	
2	16.00%	15.00%	15.00%	15.00%	12.00%	10.00%	8.00%	16.00%	15.00%	15.00%	15.00%	12.00%	10.00%	8.00%	
3	13.00%	12.00%	12.00%	12.00%	10.00%	9.00%	7.00%	13.00%	12.00%	12.00%	12.00%	10.00%	9.00%	7.00%	
4	11.00%	10.00%	10.00%	10.00%	9.00%	8.00%	7.00%	11.00%	10.00%	10.00%	10.00%	9.00%	8.00%	7.00%	
5	10.00%	9.00%	9.00%	9.00%	8.00%	7.00%	6.00%	10.00%	9.00%	9.00%	9.00%	8.00%	7.00%	6.00%	
6	10.00%	9.00%	8.00%	8.00%	7.00%	7.00%	6.00%	10.00%	9.00%	8.00%	8.00%	7.00%	7.00%	6.00%	
7	10.00%	9.00%	8.00%	7.00%	6.00%	6.00%	5.00%	10.00%	9.00%	8.00%	7.00%	6.00%	6.00%	5.00%	
8	9.00%	8.00%	8.00%	7.00%	6.00%	6.00%	5.00%	9.00%	8.00%	8.00%	7.00%	6.00%	6.00%	5.00%	
9	9.00%	8.00%	7.00%	7.00%	5.00%	5.00%	4.00%	9.00%	8.00%	7.00%	7.00%	5.00%	5.00%	4.00%	
10	9.00%	8.00%	7.00%	6.00%	5.00%	5.00%	4.00%	9.00%	8.00%	7.00%	6.00%	5.00%	5.00%	4.00%	
11	8.00%	8.00%	7.00%	6.00%	4.00%	4.00%	4.00%	8.00%	8.00%	7.00%	6.00%	4.00%	4.00%	4.00%	
12	7.00%	7.00%	6.00%	6.00%	4.00%	4.00%	4.00%	7.00%	7.00%	6.00%	6.00%	4.00%	4.00%	4.00%	
13	6.00%	6.00%	6.00%	5.00%	4.00%	4.00%	4.00%	6.00%	6.00%	6.00%	5.00%	4.00%	4.00%	4.00%	
14	5.00%	5.00%	5.00%	5.00%	4.00%	4.00%	4.00%	5.00%	5.00%	5.00%	5.00%	4.00%	4.00%	4.00%	
15+	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	3.00%	3.00%	3.00%	
Duration	780 Series														
	Issue Age														
Duration	<55	55-59	60-64	65-69	70-74	75-79	80+								
1	17.00%	15.00%	15.00%	15.00%	12.00%	10.00%	8.00%								
2	13.00%	12.00%	12.00%	12.00%	10.00%	8.00%	6.00%								
3	11.00%	10.00%	10.00%	10.00%	8.00%	8.00%	6.00%								
4	10.00%	9.00%	9.00%	9.00%	8.00%	7.00%	6.00%								
5	9.00%	8.00%	8.00%	8.00%	7.00%	6.00%	5.00%								
6	10.00%	9.00%	8.00%	8.00%	7.00%	7.00%	6.00%								
7	10.00%	9.00%	8.00%	7.00%	6.00%	6.00%	5.00%								
8	8.00%	7.00%	7.00%	6.00%	5.00%	5.00%	4.00%								
9	9.00%	8.00%	7.00%	7.00%	5.00%	5.00%	4.00%								
10	9.00%	8.00%	7.00%	6.00%	5.00%	5.00%	4.00%								
11	7.00%	7.00%	6.00%	5.00%	3.00%	3.00%	3.00%								
12	7.00%	7.00%	6.00%	6.00%	4.00%	4.00%	4.00%								
13	5.00%	5.00%	5.00%	4.00%	3.00%	3.00%	3.00%								
14	4.00%	4.00%	4.00%	4.00%	3.00%	3.00%	3.00%								
15+	3.00%	3.00%	3.00%	3.00%	2.00%	2.00%	2.00%								

Exhibit III
MedAmerica, CICA, and CLICNY
Comparison of Current and Original Pricing Assumptions

		Benefit Expiry Rates	
Current Assumptions	All CICA	Benefit expiry rates reflect assumed policy termination due to exhaustion of benefits on limited benefit period policies. The rates are based on the <i>Guidelines</i> with adjustments for historical benefit expiry experience and vary by gender, benefit period, and attained age. A table containing the benefit expiry rates is provided in Section 6 of the actuarial memorandum.	
Original Assumptions	All CICA	Benefit expiry was not separated from the lapse assumption.	
		Interest Rate	
Current Assumptions	All CICA	The current most-likely earnings rate assumption is 5.00%. This rate represents MedAmerica's expectation of its long-term investment earnings rate based on the average net investment earnings rate projected for MedAmerica's 2017 cash flow testing.	
		The maximum valuation interest rate applicable to the year of issue ranges from 4.0% to 4.5% and averages 4.4%.	
Original Assumptions	515 Series and 700 Series	An original pricing earnings rate assumption of 6.00% was assumed.	
	780 Series	An original pricing earnings rate assumption of 5.50% was assumed.	
		Improvement	
Current Assumptions	All CICA	Annual improvement in the mortality and morbidity assumptions is assumed for 15 years starting in 2018. Annual mortality improvement factors vary by attained age based on the G2 improvement scale from the 2012 Individual Annuity Mortality table. Annual morbidity improvement is assumed to be 1.0%.	
Original Assumptions	All CICA	No mortality or morbidity improvement was assumed.	

Exhibit IV
MedAmerica, CICA, and CLICNY
Comparison of Current and Prior Filing Assumptions for the 515 Series

Morbidity																																			
Current Assumptions	Claim costs are developed using the 2014 Milliman <i>Long-Term Care Guidelines (Guidelines)</i> with adjustments for underwriting selection, an all-lives exposure basis, and three years of retrospective improvement to bring the <i>Guidelines</i> forward to 2017. The claim costs were further adjusted based on historical claim experience by series, attained age, duration, payment type, and coverage type, to the extent credible. These adjustment factors can be found in Exhibit A-4a of Appendix A of the actuarial memorandum.																																		
Prior Filing Assumptions	<p>Expected claim costs were the pricing claim costs adjusted with attained age and durational adjustment factors. These factors were developed based on a comparison of actual and expected historical incurred claims for 515 Series policies issued by Combined Insurance Company of America (CICA) and Combined Life Insurance Company of New York (CLICNY) from inception through December 31, 2012. To develop the attained age adjustment factors, the experience for the 515 Series policies was combined with experience for other similar policies issued by CICA and CLICNY.</p> <table> <tr> <th>Attained Age</th><th>Factor</th></tr> <tr> <td><75</td><td>0.85</td></tr> <tr> <td>75-79</td><td>0.98</td></tr> <tr> <td>80+</td><td>1.25</td></tr> </table> <table> <tr> <th>Duration</th><th>Factor</th></tr> <tr> <td>1</td><td>0.30</td></tr> <tr> <td>2</td><td>0.30</td></tr> <tr> <td>3</td><td>0.30</td></tr> <tr> <td>4</td><td>0.55</td></tr> <tr> <td>5</td><td>0.55</td></tr> <tr> <td>6</td><td>0.55</td></tr> <tr> <td>7</td><td>0.55</td></tr> <tr> <td>8</td><td>0.55</td></tr> <tr> <td>9</td><td>0.60</td></tr> <tr> <td>10</td><td>0.65</td></tr> <tr> <td>11</td><td>0.70</td></tr> <tr> <td>12+</td><td>0.75</td></tr> </table>	Attained Age	Factor	<75	0.85	75-79	0.98	80+	1.25	Duration	Factor	1	0.30	2	0.30	3	0.30	4	0.55	5	0.55	6	0.55	7	0.55	8	0.55	9	0.60	10	0.65	11	0.70	12+	0.75
Attained Age	Factor																																		
<75	0.85																																		
75-79	0.98																																		
80+	1.25																																		
Duration	Factor																																		
1	0.30																																		
2	0.30																																		
3	0.30																																		
4	0.55																																		
5	0.55																																		
6	0.55																																		
7	0.55																																		
8	0.55																																		
9	0.60																																		
10	0.65																																		
11	0.70																																		
12+	0.75																																		
Mortality																																			
Current Assumptions	1994 Group Annuitant Mortality (GAM) Static gender-distinct table with retrospective improvement applied to bring this table forward to 2017. These mortality rates are further adjusted based on historical mortality experience by issue age band and duration. A table providing these adjustment factors is provided in Section 6 of the actuarial memorandum.																																		
Prior Filing Assumptions	Levels of 86% and 93% of the 1994 Group Annuitant Mortality (GAM) Static table were assumed for males and females, respectively, in all durations. These levels captured the impact of mortality improvement.																																		

Exhibit IV
MedAmerica, CICA, and CLICNY
Comparison of Current and Prior Filing Assumptions for the 515 Series

Current Assumptions	Lapse Rates																										
	Voluntary lapse rates (excludes benefit expiry) vary by policy duration and series. All policies are in duration 7 or later as of the valuation date.																										
Prior Filing Assumptions	<table><tr><th colspan="3">Lapse Rate Assumptions</th></tr><tr><th>Duration</th><th>515 Series</th><th>700 and 780 Series</th></tr><tr><td>7</td><td>6.0%</td><td>3.5%</td></tr><tr><td>8</td><td>4.0%</td><td>3.0%</td></tr><tr><td>9</td><td>3.0%</td><td>2.5%</td></tr><tr><td>10</td><td>3.0%</td><td>1.5%</td></tr><tr><td>11</td><td>2.0%</td><td>1.5%</td></tr><tr><td>12+</td><td>2.0%</td><td>1.5%</td></tr></table>			Lapse Rate Assumptions			Duration	515 Series	700 and 780 Series	7	6.0%	3.5%	8	4.0%	3.0%	9	3.0%	2.5%	10	3.0%	1.5%	11	2.0%	1.5%	12+	2.0%	1.5%
	Lapse Rate Assumptions																										
Duration	515 Series	700 and 780 Series																									
7	6.0%	3.5%																									
8	4.0%	3.0%																									
9	3.0%	2.5%																									
10	3.0%	1.5%																									
11	2.0%	1.5%																									
12+	2.0%	1.5%																									
Lapse rates were developed using the mortality assumption described above and actual policy termination experience for 515 Series policies issued by CICA and CLICNY from inception through December 31, 2012. Lapse rates varied by duration and are provided in the table below.																											
<table><tr><th>Duration</th><th>Lapse Rate</th></tr><tr><td>1</td><td>20.0%</td></tr><tr><td>2</td><td>10.5%</td></tr><tr><td>3</td><td>6.5%</td></tr><tr><td>4</td><td>4.5%</td></tr><tr><td>5</td><td>4.0%</td></tr><tr><td>6</td><td>3.0%</td></tr><tr><td>7</td><td>3.0%</td></tr><tr><td>8</td><td>2.5%</td></tr><tr><td>9+</td><td>2.0%</td></tr></table>				Duration	Lapse Rate	1	20.0%	2	10.5%	3	6.5%	4	4.5%	5	4.0%	6	3.0%	7	3.0%	8	2.5%	9+	2.0%				
Duration	Lapse Rate																										
1	20.0%																										
2	10.5%																										
3	6.5%																										
4	4.5%																										
5	4.0%																										
6	3.0%																										
7	3.0%																										
8	2.5%																										
9+	2.0%																										

Current Assumptions	Benefit Expiry Rates
Prior Filing Assumptions	Benefit expiry rates reflect assumed policy termination due to exhaustion of benefits on limited benefit period policies. The rates are based on the <i>Guidelines</i> with adjustments for historical benefit expiry experience and vary by gender, benefit period, and attained age. A table containing the benefit expiry rates is provided in Section 6 of the actuarial memorandum.
	Benefit expiry was not separated from the lapse assumption.

Current Assumptions	Interest Rate
	The current most-likely earnings rate assumption is 5.00%. This rate represents MedAmerica's expectation of its long-term investment earnings rate based on the average net investment earnings rate projected for MedAmerica's 2017 cash flow testing.
Prior Filing Assumptions	The maximum valuation interest rate applicable to the year of issue ranges from 4.0% to 4.5% and averages 4.4%.
	The prior earnings rate assumption was 5.25%.

Current Assumptions	Improvement
Prior Filing Assumptions	Annual improvement in the mortality and morbidity assumptions is assumed for 15 years starting in 2018. Annual mortality improvement factors vary by attained age based on the G2 improvement scale from the 2012 Individual Annuity Mortality table. Annual morbidity improvement is assumed to be 1.0%.
	No mortality or morbidity improvement was assumed.

Appendix A

Development and Justification of Current Assumptions

Milliman developed the current actuarial assumptions used in this filing.

The persistency and morbidity assumptions were developed using historical experience. Where actual experience had low credibility or did not exist, industry experience and actuarial judgement was also used. The experience used to develop these assumptions includes historical experience of the policies originally issued by Combined Insurance Company of America and Combined Life Insurance Company of New York (collectively, CICA), which MedAmerica Insurance Company (MedAmerica) acquired from Ace Ltd. in 2008. Additionally, experience on other series originally issued by CICA, MedAmerica and its affinity partners, and MedAmerica's other acquired blocks of business is used where appropriate to develop and supplement experience. For persistency, policy termination experience through December 31, 2015 was used. For morbidity, claim experience through June 30, 2016 was used with six months of runout.

Improvement (mortality and morbidity) was developed based on individual annuitant or industry experience, along with actuarial judgment. The rate increase dependent assumptions were developed using historical experience, and actuarial judgement where experience had low credibility or did not exist.

Predictive analytics was used in the development of the morbidity assumption. The persistency assumption utilized traditional techniques and credibility measures.

The rest of this appendix provides details on the development and justification of the current assumptions.

Persistency

The assumptions for mortality and voluntary lapse were developed based on detailed historical experience through December 31, 2015 for MedAmerica's organic (including affinity partners) and acquired business. For the acquired business, experience prior to acquisition was excluded as it predates MedAmerica's administration of the block.

The benefit expiry assumption was developed using the 2014 Milliman *Long-Term Care Guidelines (Guidelines)* with adjustments based on MedAmerica's actual benefit expiry experience through December 31, 2015 on its organic business.

Mortality Durational Factors for Individual Policies

Exhibit A-1a supports the individual business mortality assumption and provides the following information for all companies and products (both individual and group) combined, but separately for issue age bands (i) 75 and older, (ii) 70 to 74, (iii) 65 to 69, and (iv) 60 to 64:

- Exposure that reflects a full year of exposure for each death and the length of time a covered life is exposed to the risk of death during the year for each life that does not die.
- Mortality rates for actual, expected, and an additional standard table for comparison. All of these rates were brought forward to 2015 for consistency with the basis of the expected table by applying mortality improvement factors that reflect annual improvement of 0.5% for females and 1.0% for males.

Actual mortality rates equal the number of deaths divided by exposure. The number of deaths includes a scalar to capture improvement between the year of death and 2015. For example, if 10 males died in 2010, then the number of deaths (10) would be multiplied by 5 years of improvement (0.951).

2015GAM mortality rates equal 94GAM with 21 years of improvement, which results in scalars of 90% for females and 81% for males. These are the expected mortality rates to which the factors in Section 6 of the actuarial memorandum are applied.

2015IAM is equal to 2012 Individual Annuity Mortality (2012IAM) Period standard table mortality rates with 3 years of improvement (scalars of 98.5% for females and 97% for males).

- Ratios of actual and standard table mortality rates to the 2015GAM expected (A:E) mortality rates.
- Credibility percentage based on the number of deaths (with improvement scalars described above) and the credibility measure described at the end of this appendix.
- A:E ratio that is credibility weighted with the two standard table options for a complement.
- Smoothed durational factors that correspond to that shown in Section 6 of the actuarial memorandum.

Appendix A

Development and Justification of Current Assumptions

We developed the smoothed factors by issue age band and duration. We started with the older issue ages to develop an ultimate factor and then worked backward to younger issue age bands, making experience adjustments for the first 20 durations. In developing these experience adjustments, we considered the A:E ratios, level of credibility, whether in the select or ultimate period, and A:E credibility-weighted ratios.

An ultimate level of 105% of 2015GAM was assumed based on the combined experience of issue ages 70 and older for attained ages older than 95 to the extent credible. For the first 20 durations, the factors were pegged for the mid-point of a quinquennial durational band and then interpolated in between to develop smoothed factors. The smoothed factors were determined such that the bands of quinquennial durations reproduced the actual experience, to the extent credible.

Theoretical adjustments are made, following the diagonal, according to the adjustments made for older issue age bands to maintain mortality relationships across attained ages. For example, we assume an 85% factor for attained age 80, which appears in duration 18 for issue age 62 and duration 23 for issue age 57 as shown in Section 6 of the actuarial memorandum; following along this diagonal the assumption is consistent.

Exhibit A-1b provides similar information as Exhibit A-1a for individual business only with issue ages under 60. For development of the mortality assumption for issue ages under 60, the experience was split between individual and group because there is a material amount of group experience under 60. Mortality can differ between individual and group business because of adverse selection associated with group underwriting.

For projection purposes, two years of additional improvement was applied to the 2015GAM mortality rates to bring them forward to 2017 using the G2 improvement scale from the 2012IAM table. The G2 scale is discussed further in the Improvement section below.

Voluntary Lapse Rates

Exhibit A-2a provides total exposure, composite termination rates, expected mortality rates, derived voluntary lapse rates, credibility percent, and smoothed voluntary lapse rates for 515 Series policies by duration. Exhibit A-2b provides similar information for combined 700 and 780 Series policies.

In general, the smoothed voluntary lapse rates were set in such a way that the combined duration smoothed rates were close to the derived voluntary lapse rates (see the rows at the bottom of the exhibits). The smoothed voluntary lapse rates in the early durations were chosen to reproduce actual history, to the extent possible, so that the transition from historical to projected policy persistency was smooth. In developing the ultimate voluntary lapse rate, the level of credibility of the actual voluntary lapse experience and the experience of other forms were considered, as applicable. The degree of closeness of the smoothed voluntary lapse rate compared to actual experience depends on the level of credibility.

The actual composite (mortality and voluntary lapse) termination rates were calculated by duration as follows:

$$\text{Annualized Composite Termination Rate} = \frac{\text{Number of Deaths and Voluntary Lapses during the Year}}{\text{Number of Lives Exposed during the Year}}.$$

A death or voluntary lapse (excluding benefit expiry) was assigned to the duration in which it occurred, or the preceding duration, if the termination was on the anniversary date. Each death or voluntary lapse contributes 1.0 to the numerator and a full year to the denominator. For lives whose benefits expire or do not terminate, the number of lives exposed to termination is based on the length of time a covered life is exposed to the risk of termination due to death or voluntary lapse during the year. This calculation logic is consistent with that used in the LTC Insurance Persistency Experience reports sponsored by LIMRA International and the SOA LTC Experience Committee.

The expected mortality rate assumes the gender-distinct 2015GAM table with the durational factors shown in Section 6 of the actuarial memorandum applied by duration.

The derived voluntary lapse rate is then calculated according to the following formula:

$$\text{Derived Voluntary Lapse Rate} = 1 - \frac{1 - \text{Composite Termination Rate}}{1 - \text{Expected Mortality Rate}}.$$

Appendix A

Development and Justification of Current Assumptions

Benefit Expiry

Benefit expiry rates reflect assumed policy lapses due to exhaustion of benefits based on the 2014 *Guidelines* with adjustments for historical benefit expiry experience and vary by attained age, gender, and benefit period. Policies with lifetime benefits do not have an expiry assumption (i.e., rate of 0%).

We compared MedAmerica's actual benefit expiry experience through December 31, 2015 to that expected by the 2014 *Guidelines*. We developed adjustment factors by attained age based on the experience of a subset of MedAmerica's organic business. Factors were developed by quinquennial attained age band and then interpolated to produce scalars for each attained age. These scalars were then applied to the benefit expiry rates developed by the 2014 *Guidelines* in order to produce the final benefit expiry assumptions shown in Section 6 of the actuarial memorandum.

Exhibit A-3 provides exposure, actual and expected benefit expiry rates, A:E ratios, credibility percent, credibility-weighted A:E ratios, and smoothed adjustment factors. The exposure used reflects a full year of exposure for each benefit expiry and the length of time a covered life is exposed to the risk of benefit expiry during the year for each life that does not expire benefits.

Morbidity

The claim costs were developed using the 2014 *Guidelines* with experience-adjustment factors based on all products of MedAmerica, its affinity partners, and any acquired business from January 1, 2004 through June 30, 2016, with runout through December 31, 2016. The experience-adjustment factors were developed using predictive analytics as described in the Predictive Analytics section below.

- Exhibit A-4a – provides the adjustment factors that are to be applied to the 2014 *Guidelines* claim costs for the 515 Series, 700 Series, and 780 Series.
- Exhibit A-4b – provides a summary of A:E experience for the 515 Series, 700 Series, and 780 Series.
 - Exposure [A] reflects the length of time a covered life is in force (i.e., an exact exposure basis).
 - Actual incurred claim counts [B] and dollars [C] are based on historical claim experience from inception through June 30, 2016, with runout through December 31, 2016. Actual incurred claim dollars were valued as paid claims plus claim reserves. Paid claims and claim reserves were discounted to the year of incurrence.
 - 2014 *Guidelines* expected incurred claims [D] are valued as the 2014 *Guidelines* claim costs multiplied by actual all-lives exposure. The claim costs vary by gender, attained age, policy duration, benefit period, elimination period, payment type, level of home care coverage, inflation type, and coverage type (comprehensive/facility only/home health care only). Policy design, claims adjudication, and degree of underwriting were considered in developing the claim costs.
 - Adjusted expected incurred claims [E] are calculated by applying each applicable adjustment from Exhibit A-4a to the 2014 *Guidelines* expected incurred claims [D].
 - A:E ratios are calculated as actual incurred claims to the 2014 *Guidelines* expected incurred claims [F] and adjusted expected incurred claims [G]. The adjusted A:E [G] provides an indication of fit. This fit will not be perfect (i.e., ratio deviates from 1.0) because the main goal is to develop an assumption that generalizes well to new data by balancing assumption complexity and fit on the historical experience.
- Exhibit A-4c – provides information similar to Exhibit A-4b, except provides the experience for all products of MedAmerica, its affinity partners, and any acquired business.

Prior to developing the experience-adjustment factors, the 2014 *Guidelines* were adjusted for an assumed level of morbidity improvement. The 2014 *Guidelines* claim costs reflect morbidity improvement such that they are as of calendar year 2014. We assume this improvement has also occurred in the actual historical experience. Therefore, a backward or forward projection of morbidity improvement was applied to the expected claim costs on a seriatim basis based on the calendar year in which a given policy's duration fell. An annual improvement level of 1.0% was used in the backward or forward projections.

For projection purposes, three years of 1.0% improvement was applied to the 2014 *Guidelines* to bring them forward to 2017.

Appendix A

Development and Justification of Current Assumptions

Improvement

For projected mortality improvement, the G2 improvement scale from the 2012IAM mortality table was used. The G2 improvement scale varies by attained age and is applied beginning in the first projection year and continues for 15 projection years.

For projected morbidity improvement, a level of 1.0% is assumed for 15 years beginning January 1, 2018. This assumption is set based on the underlying morbidity improvement from the 2014 *Guidelines*. This level is also reasonable based on the Society of Actuaries (SOA) July 2016 study, *Long Term Care Morbidity Improvement Study: Estimates for the Non-Insured U.S. Elderly Population Based on the National Long Term Care Survey 1984-2004*. This study reported population annual morbidity improvement of 2.3% for unisex, 2.5% for males, and 2.1% for females. The SOA July 2016 study uses population data, so it is uncertain how well these findings will translate to an insured population. The SOA June 2011 study, *Global Mortality Improvement Experience and Projection Techniques*, suggests that an annuitant cohort has more mortality improvement over the general population, so it is possible that this could be true for morbidity as well. Based on these studies, a reasonable range for morbidity improvement is between 0.0% to 2.5% for males and 0.0% to 2.1% for females for 10 to 20 years.

Rate Increase Dependent Assumptions

At the time of a rate increase, insureds have options to elect a contingent benefit upon lapse (CBUL) or reduced benefit options (RBO). Adverse selection is assumed relative to CBUL and RBO elections. These insured behavior assumptions are provided in Section 6 of the actuarial memorandum. These assumptions are based on MedAmerica and CICA's combined actual CBUL and RBO election rate experience to the extent it exists and is credible, and actuarial judgment, particularly at the higher rate increase magnitudes where little experience exists.

Contingent Benefit Upon Lapse Election

The assumed CBUL election rate is based on the cumulative rate increase. The assumption is applied on a seriatim basis and prorated for the requested increase needed to achieve the cumulative rate increase amounts.

Reduced Benefit Options

We assume that those electing RBO will reduce their benefits so that premiums after the increase are closer to those before the increase. We assume that the percent reduction in premium corresponds to an equivalent percent reduction in claims. We assume a RBO election rate based on the cumulative rate increase. The assumption is applied on a seriatim basis and prorated for the requested increase needed to achieve the cumulative rate increase amounts.

The reduction to premium and claims then varies based on the level of the rate increase and can then be determined as follows:

Reduction to premium and claims due to the election of RBO
= $1 - (\text{Average premium level after the rate increase with RBO election} / \text{Premium level after the full rate increase without any RBO election})$, where

Average premium level after the rate increase with RBO election
= weighted average premium level of those assumed to elect RBO with those assumed to accept the full rate increase

Adverse Selection

The adverse selection assumption is a function of the CBUL and RBO election rates, such that the relative increase to morbidity due to adverse selection varies by the rate increase's magnitude. The increase to morbidity due to adverse selection was developed from the following formula and actuarial judgment. We assume that at the time of the rate increase, insureds that elect a CBUL will be selective in that their relative morbidity is 25% lower than that of the remaining pool. Similarly, we assume that at the time of the rate increase, insureds that elect an RBO will be selective in that their relative morbidity is 12.5% lower than that of the remaining pool.

Appendix A

Development and Justification of Current Assumptions

$\text{PoolMorb} = \text{AdvSelMorb} \times (1 - \text{CBUL} - \text{RBO}) + [(1 - 25\%) \times \text{AdvSelMorb}] \times \text{CBUL} + [(1 - 12.5\%) \times \text{AdvSelMorb}] \times \text{RBO}$, where

PoolMorb =	morbidity of the pool before the rate increase = 1.0
AdvSelMorb =	adverse morbidity of the remaining pool after the rate increase due to selective lapses
CBUL =	percentage of policies that elect CBUL
RBO =	percentage of policies that elect RBO

Solving the above for the adverse selection component results in the following formula:

$$\text{Adverse Selection} = 1 / (1 - 25\% \times \text{CBUL} - 12.5\% \times \text{RBO})$$

Predictive Analytics

In developing the morbidity experience-adjustment factors, predictive analytics was employed in the form of a penalized generalized linear model (GLM).

A penalized GLM is similar to a traditional GLM. The only difference is that it adds an additional constraint that penalizes the size of the model's coefficients in order to control overfitting the model to the historical data. This penalty placed on the coefficients can be seen as a credibility lever, which controls how much weight is given to the company's actual experience. A high penalty would give no weight to the data, leaving the benchmark assumption (i.e., the 2014 *Guidelines* for morbidity) unadjusted. No penalty would give full weight to the company's actual data potentially making large adjustments to the benchmark, which could be overfitting the actual experience. When using a penalized GLM it is important to choose a penalty that gives the right amount of weight to the actual data to avoid underfitting or overfitting the experience.

A standard approach for choosing such a penalty is to use a *k*-fold cross-validation to test a series of penalty values. A *k*-fold cross-validation splits the data into *k* subsets and iteratively trains and tests the model independently on each subset of the data. This process gives an estimation of how well a model will generalize to new data that was not used to develop the assumption. Through the *k*-fold cross-validation we evaluated the impact the penalty had on the model's generalizability by testing a range of 100 penalties. We selected the penalty that minimized the *k*-fold cross-validation prediction error. Using this approach, we were able to determine the amount of weight to give actual experience versus the benchmark assumption through a statistically robust and automated process.

Credibility

The methodology employed to develop the persistency assumptions considers actual historical experience and its associated credibility. Credibility percentage for the persistency assumptions was determined as $(\text{Number of Events} / \text{Credibility Threshold})^{1/2}$, with events defined as deaths, voluntary lapses, or benefit expiries. A credibility standard of a 90% confidence interval for the number of events with an error of plus or minus 7.5% was chosen. Based on these parameters, 481 events is the criterion for full credibility.

Exhibit A-1a
Actual-to-Expected (A:E) Mortality Experience through December 31, 2015
All Products

Duration	Exposure	Mortality Rate			Ratios to 2015GAM		Credibility Percent	A:E Credibility-Weighted with:		Smoothed Durational Factors
		Actual (A)	2015GAM (E)	2015IAM (X)	Actual (A:E)	2015IAM (X:E)		2015GAM (E:E=1.00)	2015IAM (X:E)	
Issue Age 75+										
1-5	24,998	1.8%	4.4%	3.1%	0.40	0.70	95%	0.43	0.41	0.41
6-10	20,553	5.0%	7.0%	5.5%	0.71	0.78	100%	0.71	0.71	0.71
11-15	11,268	10.1%	10.5%	8.8%	0.96	0.84	100%	0.96	0.96	0.96
16-20	3,330	16.3%	16.1%	14.2%	1.02	0.88	100%	1.02	1.02	1.04
21-25	415	25.3%	22.2%	20.6%	1.14	0.93	47%	1.07	1.03	1.05
26+	25	7.8%	32.1%	30.8%	0.24	0.96	6%	0.95	0.91	1.05
21+	440	24.3%	22.8%	21.2%	1.07	0.93	47%	1.03	0.99	1.05
All	60,589	5.4%	7.2%	5.7%	0.75	0.79	100%	0.75	0.75	0.75
Issue Ages 70 - 74										
1-5	39,706	0.9%	2.2%	1.4%	0.41	0.64	87%	0.49	0.45	0.40
6-10	38,186	2.4%	3.7%	2.5%	0.66	0.67	100%	0.66	0.66	0.65
11-15	27,286	4.9%	6.0%	4.4%	0.83	0.74	100%	0.83	0.83	0.84
16-20	10,157	9.1%	9.4%	7.7%	0.98	0.82	100%	0.98	0.98	0.98
21-25	2,029	14.6%	14.3%	12.3%	1.02	0.86	78%	1.02	0.99	1.04
26+	138	25.8%	20.4%	18.6%	1.27	0.91	27%	1.07	1.01	1.05
21+	2,167	15.3%	14.7%	12.7%	1.04	0.87	83%	1.03	1.01	1.04
All	117,501	3.3%	4.4%	3.2%	0.75	0.73	100%	0.75	0.75	0.75
Issue Ages 65 - 69										
1-5	67,094	0.6%	1.4%	0.9%	0.42	0.65	90%	0.48	0.44	0.40
6-10	65,409	1.4%	2.2%	1.4%	0.64	0.64	100%	0.64	0.64	0.65
11-15	50,103	2.9%	3.7%	2.4%	0.78	0.66	100%	0.78	0.78	0.79
16-20	23,101	5.3%	5.9%	4.3%	0.90	0.74	100%	0.90	0.90	0.90
21-25	6,829	9.5%	9.3%	7.6%	1.03	0.82	100%	1.03	1.03	0.99
26+	533	13.8%	13.6%	11.6%	1.01	0.86	39%	1.01	0.92	1.04
21+	7,362	9.8%	9.6%	7.9%	1.03	0.82	100%	1.03	1.03	0.99
All	213,069	2.2%	3.0%	2.0%	0.75	0.69	100%	0.75	0.75	0.74
Issue Ages 60 - 64										
1-5	93,335	0.3%	0.9%	0.6%	0.41	0.72	82%	0.51	0.46	0.39
6-10	85,284	0.8%	1.4%	0.9%	0.57	0.65	100%	0.57	0.57	0.59
11-15	58,636	1.5%	2.3%	1.5%	0.68	0.65	100%	0.68	0.68	0.67
16-20	27,386	3.2%	3.8%	2.5%	0.85	0.67	100%	0.85	0.85	0.83
21-25	9,435	5.5%	6.1%	4.5%	0.90	0.75	100%	0.90	0.90	0.90
26+	782	9.5%	9.1%	7.5%	1.05	0.82	39%	1.02	0.91	0.97
21+	10,217	5.8%	6.3%	4.8%	0.92	0.76	100%	0.92	0.92	0.91
All	274,857	1.2%	1.8%	1.2%	0.68	0.68	100%	0.68	0.68	0.67

Exhibit A-1b
Actual-to-Expected (A:E) Mortality Experience through December 31, 2015
Individual Products

Duration	Exposure	Mortality Rate			Ratios to 2015GAM		Credibility Percent	A:E Credibility-Weighted with:		Smoothed Durational Factors
		Actual (A)	2015GAM (E)	2015IAM (X)	Actual (A:E)	2015IAM (X:E)		2015GAM (E:E=1.00)	2015IAM (X:E)	
Issue Age <60										
1-5	213,822	0.1%	0.3%	0.2%	0.39	0.86	66%	0.59	0.55	0.38
6-10	134,800	0.3%	0.5%	0.4%	0.54	0.77	88%	0.59	0.56	0.54
11-15	57,646	0.6%	0.9%	0.7%	0.61	0.69	83%	0.67	0.62	0.60
16-20	24,577	1.1%	1.5%	1.0%	0.70	0.67	74%	0.78	0.69	0.70
21-25	9,193	1.7%	2.4%	1.6%	0.70	0.67	57%	0.83	0.68	0.79
26+	759	2.9%	4.4%	3.1%	0.65	0.72	21%	0.93	0.70	0.87
21+	9,952	1.8%	2.6%	1.7%	0.69	0.68	61%	0.81	0.68	0.80
All	440,797	0.3%	0.6%	0.4%	0.56	0.75	100%	0.56	0.56	0.57

Exhibit A-2a
Derived Lifetime-Pay Voluntary Lapse Experience through December 31, 2015
CICA 515 Series Policy Forms

Duration	Exposure	Composite Termination Rates	Expected Mortality Rates	Derived Lapse Rates	Credibility Percent	Smoothed Lapse Rates
7	1,626	6.8%	0.8%	6.0%	43%	6.00%
8	2,829	5.2%	1.1%	4.1%	48%	4.00%
9	3,893	4.6%	1.3%	3.2%	49%	3.00%
10	4,537	4.8%	1.6%	3.3%	52%	3.00%
11	4,981	4.1%	1.8%	2.3%	44%	2.00%
12	4,896	5.0%	2.1%	2.9%	45%	2.00%
13	4,376	3.9%	2.4%	1.5%	38%	2.00%
14	3,482	4.3%	2.7%	1.6%	29%	2.00%
15	2,300	3.6%	3.0%	0.6%	26%	2.00%
16	1,434	4.2%	3.5%	0.7%	14%	2.00%
17	598	7.4%	3.9%	3.6%	18%	2.00%
18	96	2.1%	3.9%	-1.9%	0%	2.00%
7-9	8,347	5.2%	1.1%	4.1%	81%	3.9%
7+	35,047	4.6%	2.0%	2.6%	100%	2.6%
8+	33,421	4.5%	2.1%	2.4%	100%	2.4%
9+	30,592	4.4%	2.2%	2.3%	100%	2.3%
10+	26,699	4.4%	2.3%	2.1%	100%	2.2%

Exhibit A-2b
Derived Lifetime-Pay Voluntary Lapse Experience through December 31, 2015
CICA 700 and 780 Series Policy Forms

Duration	Exposure	Composite Termination Rates	Expected Mortality Rates	Derived Lapse Rates	Credibility Percent	Smoothed Lapse Rates
7	2,190	4.3%	0.8%	3.5%	40%	3.50%
8	2,125	4.1%	1.0%	3.2%	36%	3.00%
9	1,842	3.4%	1.1%	2.3%	24%	2.50%
10	1,282	3.4%	1.3%	2.2%	23%	1.50%
11	717	2.5%	1.4%	1.1%	15%	1.50%
12	353	3.7%	1.6%	2.1%	10%	1.50%
13	139	2.2%	1.9%	0.3%	6%	1.50%
14	40	0.0%	2.2%	-2.2%	0%	1.50%
15	4	0.0%	2.6%	-2.6%	0%	1.50%
16	1	0.0%	3.5%	-3.6%	0%	1.50%
7-9	6,158	4.0%	0.9%	3.0%	59%	3.0%
7+	8,694	3.7%	1.1%	2.6%	66%	2.6%
8+	6,504	3.5%	1.2%	2.4%	53%	2.3%
9+	4,378	3.2%	1.3%	1.9%	38%	1.9%
10+	2,536	3.1%	1.4%	1.7%	30%	1.5%

Exhibit A-3
Actual-to-Expected (A:E) Benefit Expiration Experience through December 31, 2015
Subset of MedAmerica Organic Business

Attained Age Band	Exposure	Actual Expiry Rate	Expected Expiry Rate	Expiry A:E	Credibility Percent	Credibility- Weighted A:E	Smoothed Adjustment Factors
<80	528,089	0.03%	0.04%	0.70	56%	0.83	0.85
80-84	50,683	0.52%	0.41%	1.27	74%	1.20	1.25
85-89	22,568	1.52%	1.04%	1.46	85%	1.39	1.45
90+	6,638	4.43%	2.47%	1.79	78%	1.62	1.65
All	607,979	0.17%	0.14%	1.28	100%	1.28	1.28

Exhibit A-4a
MedAmerica and CICA
Morbidity Adjustment Factors
CICA 515 Series, 700 Series, and 780 Series Policy Forms

Duration	Product-Specific Adjustment Factors		
	515 Series	700 Series	780 Series
1	1.02	0.98	0.98
2	1.04	0.97	0.97
3	1.08	0.95	0.95
4	1.13	0.95	0.95
5	1.14	0.94	0.94
6	1.13	0.97	0.97
7	1.09	0.99	0.99
8	1.07	1.02	1.02
9	1.03	1.00	1.00
10	1.01	0.99	0.99
11	0.97	0.96	0.96
12	0.98	0.95	0.95
13	0.95	0.94	0.94
14	0.91	0.96	0.96
15	0.94	0.98	0.98
16	0.96	0.99	0.99
17	0.96	1.00	1.00
18	0.98	1.01	1.01
19	1.02	1.01	1.01
20+	1.01	1.00	1.00

Attained Age	Product-Specific Adjustment Factors		
	515 Series	700 Series	780 Series
<55	0.99	1.00	1.00
55	0.99	1.00	1.00
56	0.99	1.00	1.00
57	0.98	0.99	0.99
58	0.97	0.99	0.99
59	0.95	0.98	0.98
60	0.94	0.98	0.98
61	0.93	0.97	0.97
62	0.93	0.97	0.97
63	0.95	0.97	0.97
64	0.98	0.96	0.96
65	1.03	0.96	0.96
66	1.05	0.96	0.96
67	1.08	0.96	0.96
68	1.10	0.97	0.97
69	1.09	0.98	0.98
70	1.09	0.98	0.98
71	1.10	0.99	0.99
72	1.09	1.01	1.01
73	1.08	1.02	1.02
74	1.06	1.04	1.04
75	1.01	1.06	1.06
76	0.99	1.09	1.09
77	1.02	1.08	1.08
78	1.01	1.07	1.07
79	1.02	1.04	1.04
80	1.05	1.01	1.01
81	1.05	0.98	0.98
82	0.98	0.97	0.97
83	0.97	0.97	0.97
84	0.96	0.98	0.98
85	0.97	0.99	0.99
86	0.97	1.00	1.00
87	1.00	1.01	1.01
88	0.99	1.01	1.01
89	0.99	1.00	1.00
90	0.96	1.00	1.00
91	0.95	1.00	1.00
92	0.94	1.00	1.00
93	0.95	1.00	1.00
94	0.96	1.00	1.00
95	0.97	1.00	1.00
96	0.98	1.00	1.00
97	0.98	1.00	1.00
98	0.98	1.00	1.00
99	0.99	1.00	1.00
100	0.99	1.00	1.00
101+	0.99	1.00	1.00

Attained Age	Payment Type Adjustment Factor
<55	0.94
55	0.94
56	0.94
57	0.92
58	0.92
59	0.88
60	0.91
61	0.90
62	0.87
63	0.81
64	0.81
65	0.85
66	0.82
67	0.87
68	0.95
69	1.01
70	0.99
71	1.03
72	1.05
73	1.05
74	1.04
75	1.04
76	1.08
77	1.07
78	1.09
79	1.12
80	1.19
81	1.15
82	1.14
83	1.14
84	1.10
85	1.07
86	1.09
87	1.17
88	1.18
89	1.22
90	1.24
91	1.24
92	1.15
93	1.11
94	1.06
95	1.04
96	1.01
97	1.01
98	1.01
99	1.01
100	1.02
101+	1.02

Attained Age	Adjustment Factor
<55	0.93
55	0.93
56	0.93
57	0.89
58	0.86
59	0.83
60	0.85
61	0.83
62	0.82
63	0.83
64	0.84
65	0.84
66	0.81
67	0.81
68	0.78
69	0.77
70	0.80
71	0.93
72	0.98
73	1.08
74	1.14
75	1.13
76	1.02
77	1.06
78	1.05
79	1.07
80	1.10
81	1.14
82	1.08
83	1.09
84	1.05
85	1.07
86	1.08
87	1.14
88	1.17
89	1.17
90	1.16
91	1.16
92	1.10
93	1.08
94	1.09
95	1.10
96	1.09
97	1.09
98	1.07
99	1.05
100	1.03
101+	1.02

Coverage Type	Adjustment Factor
Comprehensive	0.90
Nursing Home Only	1.03
Home Care Only	1.10

Exhibit A-4b
MedAmerica, CICA, and CLICNY
Actual-to-Expected (A:E) Morbidity Experience through June 30, 2016 with Claim Runout
CICA 515 Series, 700 Series, and 780 Series Policy Forms

Policy or Policyowner Characteristic	Exposure [A]	Actual Incurred Claims		Expected Incurred Claims		A:E Incurred Claims	
		Count [B]	Dollars [C]	2014 <i>Guidelines</i> [D]	New [E]	2014 <i>Guidelines</i> [F] = [C] / [D]	New [G] = [C] / [E]
Coverage Type							
Comprehensive	56,732	547	34,755,493	33,927,345	34,364,808	1.02	1.01
Nursing Home Only	76	-	-	34,707	38,922	-	-
Home Care Only	653	1	91,557	154,204	187,887	0.59	0.49
Attained Age							
< 60	5,088	1	6,232	333,904	241,289	0.02	0.03
60 - 69	16,188	27	2,018,054	2,556,043	1,688,276	0.79	1.20
70 - 79	27,977	224	16,632,592	15,978,055	16,231,616	1.04	1.02
80 - 89	7,961	277	15,716,768	14,421,066	15,526,378	1.09	1.01
90 +	247	19	473,405	827,187	904,059	0.57	0.52
Policy Duration							
< 7	8,817	18	1,291,415	1,186,020	1,063,304	1.09	1.21
7 - 10	21,656	135	8,918,035	7,947,787	8,125,224	1.12	1.10
11 - 15	23,984	311	19,735,073	20,362,051	20,552,979	0.97	0.96
16 - 20	3,004	84	4,902,526	4,620,397	4,850,111	1.06	1.01
21 +	-	-	-	-	-	-	-
Product							
515 Series	41,812	489	31,857,641	30,735,655	31,427,999	1.04	1.01
700 Series	2,640	8	740,381	940,377	938,164	0.79	0.79
780 Series	13,011	51	2,249,028	2,440,223	2,225,455	0.92	1.01
Total	57,462	548	34,847,050	34,116,255	34,591,618	1.02	1.01

Exhibit A-4c
MedAmerica, Affinity Partners, and Acquired Business
Actual-to-Expected (A:E) Morbidity Experience through June 30, 2016 with Claim Runout
All Products

Policy or Policyowner Characteristic	Exposure [A]	Actual Incurred Claims		Expected Incurred Claims		A:E Incurred Claims	
		Count [B]	Dollars [C]	2014 <i>Guidelines</i> [D]	New [E]	2014 <i>Guidelines</i> [F] = [C] / [D]	New [G] = [C] / [E]
Coverage Type							
Comprehensive	1,136,716	8,789	756,597,258	749,849,298	758,592,612	1.01	1.00
Nursing Home Only	106,185	2,145	154,205,174	127,829,789	153,061,713	1.21	1.01
Home Care Only	16,715	366	19,905,169	12,045,724	16,594,918	1.65	1.20
Attained Age							
< 60	453,624	244	33,805,437	30,149,268	30,328,735	1.12	1.11
60 - 69	360,462	666	78,589,161	88,054,403	75,788,341	0.89	1.04
70 - 79	291,092	2,748	262,147,876	268,144,812	267,494,038	0.98	0.98
80 - 89	138,826	5,979	465,876,836	417,634,186	464,847,833	1.12	1.00
90 +	15,611	1,663	90,288,290	85,742,142	89,790,297	1.05	1.01
Policy Duration							
< 7	497,039	823	75,787,355	82,648,988	79,201,077	0.92	0.96
7 - 10	307,411	1,867	174,015,180	164,578,241	170,058,801	1.06	1.02
11 - 15	278,526	3,765	317,411,016	297,015,693	316,181,994	1.07	1.00
16 - 20	129,643	3,188	245,115,546	230,142,856	242,291,028	1.07	1.01
21 +	46,996	1,657	118,378,503	115,339,033	120,516,343	1.03	0.98
Total	1,259,615	11,300	930,707,601	889,724,811	928,249,243	1.05	1.00

MEDAMERICA INSURANCE COMPANY
Address: 165 Court Street, Rochester, New York 14647

Supplement to the Actuarial Memorandum

March 19, 2019

<u>Product</u>	<u>Number</u>
515 Series Tax-Qualified Long-Term Care Policy Form	14515-PA
780 Series Tax-Qualified Long-Term Care Policy Form	14785-PA

In 2008, MedAmerica Insurance Company (MedAmerica) acquired the long-term care block of business issued by Combined Insurance Company of America (CICA) from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 16% of the policyholders nationwide objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on these series, including policies on CICA paper, and administers and manages the entire block.

This supplement captures the pooled experience of the policy form(s) listed above as well as similar nationwide policy forms of the 515, 700, and 780 Series. Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

A. Purpose of Supplement

This supplement has been prepared for the purpose of demonstrating the compliance of the requested rate increase with Chapter 18 Section 3803(c), and Reg. 89.83 of the Insurance Regulations for the state of Pennsylvania as well as provide items generally requested by the Department. It may not be appropriate for other purposes.

B. Demonstration of Compliance with Chapter 18 Section 3803

(c): We believe that we comply with this subsection of the regulation by submitting these rates before they are being used.

C. Demonstration of Compliance with Reg. 89.83

89.83 (a): This subsection requires no action.

89.83 (b): This subsection is not applicable since this filing is not for rates for a new policy form.

89.83 (c): *Revision of Current Rates*

(1): For policies issued prior to September 16, 2002, the effective date of rate stability in Pennsylvania, the minimum loss ratio requirement is 60%, as specified in Reg. 89a.117.(b). For policies issued on or after September 16, 2002, the loss ratio requirements are specified in Reg. 89a.118.(c)(2), (i.e., the 58%/85% test). Demonstration of satisfaction of these requirements is discussed in Section 15 of the enclosed actuarial memorandum.

As of December 31, 2017, 87 of the 260 policies that are in force and subject to the requested rate increase in Pennsylvania were issued on or after September 16, 2002 (approximately 33%). However, because the company manages this block of business as a whole, this rate increase filing complies with both sets of requirements for all of the policies, regardless of issue date.

(2): Section 3 of the actuarial memorandum provides a description of benefits. Copies of the affected policy form(s) may be provided upon request.

(2)(i): The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing.

The company is requesting a premium rate increase that varies by series and inflation protection option to achieve the cumulative rate increases as shown in Section 2 of the enclosed actuarial memorandum. The company is seeking this current rate increase request to help alleviate the adverse performance on

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this block of business. The cumulative rate increase levels were determined to vary by series and inflation protection option to better align the rate increase with the adverse experience. The table in Section 2 of the enclosed actuarial memorandum provides the average prior, requested, and cumulative increase by series and inflation protection option based on the nationwide distribution. The enclosed cover letter provides similar information on a Pennsylvania-specific distribution.

The current rate schedules along with the proposed rate schedules are enclosed with this filing. Please note that the actual rates implemented may vary slightly from those shown due to rounding algorithms.

Exhibit I of the actuarial memorandum provides nationwide earned premium and incurred claim actual and projected experience using current assumptions, as described in Section 6 of the actuarial memorandum. Attachment 1 to this supplement provides nationwide written premium and paid claim actual and projected experience using current assumptions. Values in Exhibit I and Attachment 1 are shown both before and after the requested rate increase. The interest rate used in Exhibit I and Attachment 1 to accumulate and discount values is the maximum valuation interest rate for contract reserves applicable for the year of issue (which ranges from 4.0% to 4.5%, and averages 4.4%).

Attachments 2 and 3 to this supplement provide similar information as Exhibit I and Attachment 1 respectively, except provides Pennsylvania-specific experience.

(2)(ii)(A): There have been two rate increases approved and implemented on the 515 Series in Pennsylvania. The Department approved an increase of 15% and 20% in May 2014 and June 2015, respectively. There have been no previous rate revisions on the 780 series policies in this jurisdiction.

(2)(ii)(B): Commission scales varied by duration to produce an average cost of 13.6% of premium over each series policies' lifetime. Commissions were assumed to be paid on original premium at issue and not on waived premiums.

The company adjusts renewal commission rates so that total commissions paid before and after any increase in premium are similar (i.e., commissions are not paid on the increased premium).

(2)(ii)(C)(I): Premiums earned and written since inception for nationwide experience can be found in Exhibit I of the actuarial memorandum and Attachment 1 to this supplement, respectively. Premiums earned and written since inception for Pennsylvania-specific experience can be found in Attachments 2 and 3, respectively. Attachment 4 to this supplement provides reserve balances and the calculation basis for both nationwide and Pennsylvania-specific experience.

(2)(ii)(C)(II): Attachment 4 to this supplement provides a breakdown of historical incurred claims and active life reserve balance, including a description of the calculation basis, for both nationwide and Pennsylvania-specific experience.

Attachment 5 to this supplement provides actual and projected experience on a durational basis using current assumptions. Included are policy year earned premiums, incurred claims, durational loss ratios, end of year lives, and cumulative loss ratios with interest. Values in Attachment 5 are shown both before and after the requested rate increase. The number of durations shown was chosen to capture the majority of the durations underlying Exhibit I. Similar to Exhibit I and Attachments 1 through 3, the values used to calculate the cumulative loss ratios are accumulated and discounted at the maximum valuation interest rate.

Attachment 6 to this supplement provides similar information to Attachment 5, except for Pennsylvania-specific experience.

(2)(ii)(D): We believe that we have provided information sufficient to support the rate increase requested in this filing.

(2)(iii): We understand that data used in this rate increase filing is in agreement with those used in the annual statement filed with the Department.

89.83 (d): We believe the proposed rate tables provided with this filing comply with this subsection.

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March 19, 2019

D. Demonstration of Compliance with Generally Requested Information

Attachment 7 to this letter provides a table showing the status of the rate increase filings, along with the cumulative rate increase implemented to date. The status is shown for each jurisdiction in which there is business in force as of December 31, 2017 on these and similar policy forms.

As part of this rate increase process, an increase has been or is expected to be requested in most jurisdictions. Regardless of prior approvals, the same cumulative rate increase level will be requested in all jurisdictions except where it is not cost effective to file an increase due to regulatory requirements or the limited amount of in-force business. In jurisdictions where the company has not yet reached a decision regarding the current rate increase, Attachment 7 indicates "TBD" (to be decided).

E. Microsoft Excel spreadsheet containing all numerical data

An Excel workbook containing the values shown in Exhibits I and II of the actuarial memorandum and Attachments 1 through 7 of this supplement is enclosed with this filing, as required.

F. Description of Attachments and Enclosure

Attachment 1: Nationwide Actual and Projected Written Premium and Paid Claims
Attachment 2: Pennsylvania-Specific Actual and Projected Experience
Attachment 3: Pennsylvania-Specific Actual and Projected Written Premium and Paid Claims
Attachment 4: Nationwide and Pennsylvania-Specific Claims and Reserve Balances
Attachment 5: Nationwide Actual and Projected Experience by Policy Year
Attachment 6: Pennsylvania-Specific Actual and Projected Experience by Policy Year
Attachment 7: Status Listing

Enclosure: Exhibits and Attachments in Excel

Attachment 1-a
MedAmerica, CICA, and CLICNY
Written Premium and Paid Claim Experience and Projections by Calendar Year
Nationwide Experience Before Requested Rate Increase
515, 700, and 780 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions			
		Without Interest			Cumulative Loss Ratio w/ Max. Val. Interest
		Written Premium	Paid Claims	Loss Ratio	
Historical Experience	1997	8,976	0	0%	0%
	1998	546,203	0	0%	0%
	1999	2,172,401	0	0%	0%
	2000	4,113,275	30,470	1%	0%
	2001	6,254,052	59,391	1%	1%
	2002	8,411,385	62,957	1%	1%
	2003	9,370,180	271,339	3%	1%
	2004	9,685,450	275,365	3%	2%
	2005	10,183,367	721,834	7%	3%
	2006	11,539,366	1,077,814	9%	4%
	2007	12,186,114	1,749,755	14%	5%
	2008	11,904,700	2,126,726	18%	7%
	2009	11,135,406	2,419,276	22%	8%
	2010	10,498,999	2,653,705	25%	10%
	2011	9,936,799	3,403,200	34%	11%
	2012	9,481,249	4,159,473	44%	13%
	2013	9,009,229	4,680,155	52%	15%
Projected Future Experience (50 Years)	2014	8,516,217	4,718,039	55%	17%
	2015	8,408,405	6,252,032	74%	19%
	2016	8,224,688	6,627,390	81%	21%
	2017	7,888,714	7,180,040	91%	23%
	2018	7,520,209	5,874,217	78%	25%
	2019	7,105,834	7,180,974	101%	27%
	2020	6,668,093	8,230,442	123%	29%
	2021	6,230,983	9,194,658	148%	31%
	2022	5,798,923	10,122,371	175%	34%
	2023	5,373,824	10,988,869	204%	36%
	2024	4,957,656	11,795,493	238%	39%
	2025	4,552,591	12,554,098	276%	41%
	2026	4,160,514	13,256,582	319%	44%
	2027	3,783,226	13,888,203	367%	46%
	2028	3,422,462	14,424,066	421%	49%
	2029	3,079,770	14,854,501	482%	52%
	2030	2,756,676	15,169,601	550%	54%
	2031	2,454,310	15,361,613	626%	57%
	2032	2,173,498	15,428,448	710%	59%
	2033	1,914,347	15,390,901	804%	62%
	2034	1,676,656	15,272,750	911%	64%
	2035	1,460,466	15,083,521	1,033%	66%
	2036	1,265,569	14,826,300	1,172%	68%
	2037	1,091,295	14,506,141	1,329%	70%
	2038	936,604	14,127,164	1,508%	72%
	2039	800,215	13,691,143	1,711%	73%
	2040	680,765	13,196,885	1,939%	75%
	2041	576,816	12,650,280	2,193%	76%
	2042	486,829	12,059,775	2,477%	78%
	2043	409,286	11,434,947	2,794%	79%
	2044	342,769	10,788,416	3,147%	80%
	2045	285,973	10,129,363	3,542%	81%
	2046	237,722	9,460,130	3,979%	82%
	2047	196,934	8,784,305	4,461%	82%
	2048	162,600	8,112,169	4,989%	83%
	2049	133,827	7,451,366	5,568%	84%
	2050	109,837	6,812,036	6,202%	84%
	2051	89,940	6,208,228	6,903%	85%
	2052	73,485	5,647,689	7,685%	85%
	2053	59,934	5,127,171	8,555%	85%
	2054	48,813	4,644,647	9,515%	86%
	2055	39,699	4,197,646	10,574%	86%
	2056	32,245	3,778,438	11,718%	86%
	2057	26,143	3,381,840	12,936%	87%
	2058-2062	71,885	11,860,626	16,500%	87%
	2063-2067	22,915	5,823,807	25,415%	87%

With Interest Accum./Disc. To 12/31/2017 at Max. Val. Interest

History	256,377,580	59,968,925	23%
Future	60,802,546	217,243,814	357%
Lifetime	317,180,126	277,212,739	87%

Attachment 1-b
MedAmerica, CICA, and CLICNY
Written Premium and Paid Claim Experience and Projections by Calendar Year
Nationwide Experience After Requested Rate Increase
515, 700, and 780 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions			
		Without Interest			Cumulative Loss Ratio w/ Max. Val. Interest
		Written Premium	Paid Claims	Loss Ratio	
Historical Experience	1997	8,976	0	0%	0%
	1998	546,203	0	0%	0%
	1999	2,172,401	0	0%	0%
	2000	4,113,275	30,470	1%	0%
	2001	6,254,052	59,391	1%	1%
	2002	8,411,385	62,957	1%	1%
	2003	9,370,180	271,339	3%	1%
	2004	9,685,450	275,365	3%	2%
	2005	10,183,367	721,834	7%	3%
	2006	11,539,366	1,077,814	9%	4%
	2007	12,186,114	1,749,755	14%	5%
	2008	11,904,700	2,126,726	18%	7%
	2009	11,135,406	2,419,276	22%	8%
	2010	10,498,999	2,653,705	25%	10%
	2011	9,936,799	3,403,200	34%	11%
	2012	9,481,249	4,159,473	44%	13%
	2013	9,009,229	4,680,155	52%	15%
Projected Future Experience (50 Years)	2014	8,516,217	4,718,039	55%	17%
	2015	8,408,405	6,252,032	74%	19%
	2016	8,224,688	6,627,390	81%	21%
	2017	7,888,714	7,180,040	91%	23%
	2018	7,520,297	5,874,217	78%	25%
	2019	7,520,748	7,160,937	95%	27%
	2020	8,238,994	8,068,904	98%	29%
	2021	7,834,465	8,846,777	113%	31%
	2022	7,299,611	9,598,864	131%	33%
	2023	6,772,149	10,303,728	152%	35%
	2024	6,254,546	10,960,913	175%	37%
	2025	5,749,573	11,581,494	201%	39%
	2026	5,259,665	12,158,956	231%	42%
	2027	4,787,210	12,679,644	265%	44%
	2028	4,334,548	13,118,947	303%	46%
	2029	3,903,791	13,466,863	345%	48%
	2030	3,497,021	13,713,966	392%	50%
	2031	3,115,828	13,853,107	445%	53%
	2032	2,761,378	13,882,453	503%	55%
	2033	2,433,913	13,820,531	568%	57%
	2034	2,133,257	13,688,467	642%	59%
	2035	1,859,539	13,494,558	726%	60%
	2036	1,612,549	13,241,667	821%	62%
	2037	1,391,485	12,934,689	930%	64%
	2038	1,195,078	12,577,698	1,052%	65%
	2039	1,021,737	12,172,713	1,191%	67%
	2040	869,778	11,719,193	1,347%	68%
	2041	737,419	11,222,643	1,522%	69%
	2042	622,734	10,690,295	1,717%	70%
	2043	523,825	10,130,283	1,934%	71%
	2044	438,921	9,553,149	2,177%	72%
	2045	366,382	8,966,534	2,447%	73%
	2046	304,721	8,371,933	2,747%	74%
	2047	252,571	7,772,392	3,077%	74%
	2048	208,651	7,176,960	3,440%	75%
	2049	171,833	6,592,400	3,837%	75%
	2050	141,117	6,027,673	4,271%	76%
	2051	115,627	5,495,122	4,752%	76%
	2052	94,532	5,001,434	5,291%	77%
	2053	77,152	4,543,517	5,889%	77%
	2054	62,878	4,119,320	6,551%	77%
	2055	51,174	3,726,369	7,282%	77%
	2056	41,594	3,357,521	8,072%	78%
	2057	33,745	3,008,021	8,914%	78%
	2058-2062	92,976	10,571,225	11,370%	78%
	2063-2067	29,821	5,197,167	17,428%	78%

With Interest Accum./Disc. To 12/31/2017 at Max. Val. Interest

History	256,377,580	59,968,925	23%
Future	73,337,059	198,723,737	271%
Lifetime	329,714,639	258,692,663	78%

Attachment 2-a
MedAmerica
Actual and Projected Experience using Current Assumptions by Calendar Year
Pennsylvania-Specific Experience Before Requested Rate Increase
515 and 780 Series

		Loss Ratio Demonstration						
	Calendar Year	Without Interest			D	With Max. Val. Interest		
		A	B	C = B / A		E	F	G = F / E
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio
Historical Experience	1999	48,447	0	0%	126	109,374	0	0%
	2000	254,666	91,218	36%	326	550,183	197,068	36%
	2001	364,003	0	0%	386	752,531	0	0%
	2002	388,780	0	0%	440	769,142	0	0%
	2003	398,558	58,576	15%	451	754,532	110,894	15%
	2004	391,196	0	0%	423	708,703	0	0%
	2005	379,170	0	0%	411	657,336	0	0%
	2006	396,634	181,178	46%	442	655,523	300,568	46%
	2007	452,244	216,951	48%	463	709,967	344,416	49%
	2008	448,838	201,152	45%	447	674,576	305,584	45%
	2009	419,562	189,478	45%	421	604,263	275,453	46%
	2010	395,561	279,966	71%	402	545,953	389,473	71%
	2011	373,398	272,963	73%	380	493,832	363,378	74%
	2012	359,072	104,844	29%	369	454,949	133,562	29%
	2013	341,283	179,912	53%	356	414,289	219,322	53%
	2014	326,490	342,647	105%	320	379,577	399,718	105%
	2015	316,354	65,698	21%	297	352,311	73,341	21%
	2016	325,070	290,962	90%	271	346,790	310,821	90%
	2017	315,194	629,558	200%	260	322,066	643,550	200%
Projected Future Experience (50 Years)	2018	297,612	322,305	108%	247	291,267	315,325	108%
	2019	280,508	355,672	127%	233	262,956	333,069	127%
	2020	263,382	387,818	147%	220	236,511	347,641	147%
	2021	246,311	418,162	170%	206	211,888	358,830	169%
	2022	229,365	448,528	196%	193	189,035	368,467	195%
	2023	212,611	477,713	225%	179	167,894	375,719	224%
	2024	196,125	505,649	258%	166	148,408	380,758	257%
	2025	179,987	526,255	292%	153	130,523	379,433	291%
	2026	164,271	546,617	333%	140	114,179	377,392	331%
	2027	149,060	563,294	378%	128	99,317	372,452	375%
	2028	134,465	579,646	431%	116	85,896	367,087	427%
	2029	120,599	584,741	485%	104	73,872	354,758	480%
	2030	107,553	580,294	540%	93	63,183	337,345	534%
	2031	95,380	572,167	600%	83	53,747	318,749	593%
	2032	84,134	560,587	666%	74	45,484	299,292	658%
	2033	73,841	549,231	744%	65	38,304	281,018	734%
	2034	64,499	540,533	838%	57	32,110	265,057	825%
	2035	56,095	540,149	963%	50	26,804	253,767	947%
	2036	48,593	533,631	1,098%	43	22,291	240,251	1,078%
	2037	41,948	522,154	1,245%	38	18,476	225,342	1,220%
	2038	36,096	503,980	1,396%	33	15,267	208,582	1,366%
	2039	30,970	484,938	1,566%	28	12,580	192,494	1,530%
	2040	26,497	458,387	1,730%	24	10,339	174,672	1,689%
	2041	22,609	431,949	1,911%	21	8,474	158,032	1,865%
	2042	19,233	410,554	2,135%	18	6,926	144,288	2,083%
	2043	16,312	392,985	2,409%	16	5,644	132,668	2,351%
	2044	13,790	375,521	2,723%	13	4,584	121,770	2,656%
	2045	11,616	355,131	3,057%	11	3,709	110,548	2,980%
	2046	9,743	336,635	3,455%	10	2,988	100,585	3,366%
	2047	8,131	317,642	3,906%	8	2,395	91,075	3,802%
	2048	6,756	297,649	4,406%	7	1,911	81,748	4,278%
	2049	5,581	272,305	4,879%	6	1,515	71,611	4,727%
	2050	4,585	248,316	5,416%	5	1,194	62,521	5,236%
	2051	3,743	226,663	6,056%	4	935	54,627	5,843%
	2052	3,037	203,551	6,702%	3	727	46,886	6,446%
	2053	2,448	177,358	7,244%	3	562	39,074	6,952%
	2054	1,963	152,817	7,784%	2	432	32,247	7,466%
	2055	1,566	130,617	8,343%	2	330	26,402	7,999%
	2056	1,242	110,650	8,906%	2	251	21,453	8,545%
	2057	981	93,030	9,487%	1	190	17,368	9,141%
	2058-2062	2,464	285,514	11,585%	3	432	48,749	11,284%
	2063-2067	618	95,872	15,521%	1	90	13,809	15,386%
History		6,694,522	3,105,102	46%	6,991	10,255,894	4,067,147	40%
Future		3,276,322	16,477,210	503%	2,809	2,393,621	8,502,961	355%
Lifetime		9,970,843	19,582,312	196%	9,800	12,649,514	12,570,108	99%

Attachment 2-b
MedAmerica
Actual and Projected Experience using Current Assumptions by Calendar Year
Pennsylvania-Specific Experience After Requested Rate Increase
515 and 780 Series

		Loss Ratio Demonstration						
		Without Interest			D	With Max. Val. Interest		
	Calendar Year	A	B	C = B / A		E	F	G = F / E
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio
Historical Experience	1999	48,447	0	0%	126	109,374	0	0%
	2000	254,666	91,218	36%	326	550,183	197,068	36%
	2001	364,003	0	0%	386	752,531	0	0%
	2002	388,780	0	0%	440	769,142	0	0%
	2003	398,558	58,576	15%	451	754,532	110,894	15%
	2004	391,196	0	0%	423	708,703	0	0%
	2005	379,170	0	0%	411	657,336	0	0%
	2006	396,634	181,178	46%	442	655,523	300,568	46%
	2007	452,244	216,951	48%	463	709,967	344,416	49%
	2008	448,838	201,152	45%	447	674,576	305,584	45%
	2009	419,562	189,478	45%	421	604,263	275,453	46%
	2010	395,561	279,966	71%	402	545,953	389,473	71%
	2011	373,398	272,963	73%	380	493,832	363,378	74%
	2012	359,072	104,844	29%	369	454,949	133,562	29%
	2013	341,283	179,912	53%	356	414,289	219,322	53%
	2014	326,490	342,647	105%	320	379,577	399,718	105%
	2015	316,354	65,698	21%	297	352,311	73,341	21%
	2016	325,070	290,962	90%	271	346,790	310,821	90%
	2017	315,194	629,558	200%	260	322,066	643,550	200%
Projected Future Experience (50 Years)	2018	297,612	322,305	108%	247	291,267	315,325	108%
	2019	288,531	351,954	122%	228	270,475	329,589	122%
	2020	309,177	361,313	117%	208	277,604	323,894	117%
	2021	296,296	383,390	129%	195	254,839	329,016	129%
	2022	276,304	410,235	148%	183	227,663	337,045	148%
	2023	256,502	435,768	170%	170	202,486	342,779	169%
	2024	236,980	459,993	194%	157	179,248	346,444	193%
	2025	217,831	477,589	219%	145	157,888	344,427	218%
	2026	199,150	494,927	249%	132	138,340	341,807	247%
	2027	181,036	508,834	281%	121	120,538	336,567	279%
	2028	163,626	522,412	319%	109	104,439	330,990	317%
	2029	147,058	526,048	358%	98	89,995	319,324	355%
	2030	131,446	521,326	397%	88	77,137	303,265	393%
	2031	116,854	513,117	439%	78	65,768	286,075	435%
	2032	103,344	501,762	486%	69	55,793	268,129	481%
	2033	90,948	490,610	539%	61	47,108	251,284	533%
	2034	79,671	481,850	605%	53	39,597	236,556	597%
	2035	69,495	480,231	691%	47	33,147	225,906	682%
	2036	60,380	473,467	784%	40	27,643	213,466	772%
	2037	52,274	462,625	885%	35	22,974	199,963	870%
	2038	45,108	446,203	989%	30	19,035	184,989	972%
	2039	38,805	429,133	1,106%	26	15,724	170,665	1,085%
	2040	33,285	405,835	1,219%	23	12,954	154,972	1,196%
	2041	28,466	382,668	1,344%	19	10,641	140,323	1,319%
	2042	24,267	364,040	1,500%	17	8,714	128,260	1,472%
	2043	20,623	348,743	1,691%	14	7,115	118,048	1,659%
	2044	17,467	333,497	1,909%	12	5,789	108,453	1,873%
	2045	14,739	315,502	2,141%	11	4,693	98,509	2,099%
	2046	12,383	299,159	2,416%	9	3,787	89,671	2,368%
	2047	10,351	282,327	2,727%	8	3,040	81,216	2,671%
	2048	8,615	264,306	3,068%	6	2,429	72,836	2,998%
	2049	7,129	241,530	3,388%	5	1,929	63,737	3,304%
	2050	5,866	220,012	3,751%	5	1,523	55,589	3,650%
	2051	4,797	200,593	4,182%	4	1,195	48,517	4,061%
	2052	3,899	179,782	4,611%	3	931	41,560	4,464%
	2053	3,148	156,412	4,968%	3	721	34,584	4,799%
	2054	2,529	134,691	5,326%	2	555	28,527	5,143%
	2055	2,020	115,067	5,696%	2	425	23,346	5,500%
	2056	1,605	97,504	6,074%	1	323	18,978	5,869%
	2057	1,268	82,164	6,477%	1	245	15,404	6,288%
	2058-2062	3,192	254,746	7,982%	3	558	43,699	7,838%
	2063-2067	798	86,749	10,869%	1	116	12,562	10,875%
History		6,694,522	3,105,102	46%	6,991	10,255,894	4,067,147	40%
Future		3,864,876	14,820,420	383%	2,670	2,786,389	7,716,298	277%
Lifetime		10,559,397	17,925,522	170%	9,661	13,042,283	11,783,444	90%

Attachment 3-a
MedAmerica
Written Premium and Paid Claim Experience and Projections by Calendar Year
Pennsylvania-Specific Experience Before Requested Rate Increase
515 and 780 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions			
		Without Interest			Cumulative Loss Ratio w/ Max. Val. Interest
		Written Premium	Paid Claims	Loss Ratio	
Historical Experience	1999	76,792	0	0%	0%
	2000	291,307	0	0%	0%
	2001	370,885	644	0%	0%
	2002	388,969	0	0%	0%
	2003	396,064	24,761	6%	2%
	2004	386,122	43,906	11%	3%
	2005	374,822	13,879	4%	3%
	2006	398,224	21,142	5%	4%
	2007	451,830	106,549	24%	6%
	2008	445,584	153,270	34%	9%
	2009	416,357	110,176	26%	11%
	2010	393,024	235,117	60%	14%
	2011	370,888	287,307	77%	18%
	2012	357,607	284,773	80%	21%
	2013	339,475	241,872	71%	24%
	2014	321,767	288,575	90%	26%
	2015	317,775	253,908	80%	28%
	2016	321,313	185,708	58%	29%
	2017	313,533	286,704	91%	31%
Projected Future Experience (50 Years)	2018	295,153	244,840	83%	33%
	2019	278,060	289,265	104%	34%
	2020	260,962	324,843	124%	36%
	2021	243,934	358,320	147%	38%
	2022	227,040	392,662	173%	40%
	2023	210,350	425,607	202%	43%
	2024	193,945	457,239	236%	45%
	2025	177,896	486,939	274%	47%
	2026	162,282	514,756	317%	50%
	2027	147,186	540,344	367%	52%
	2028	132,715	563,449	425%	55%
	2029	118,987	582,347	489%	58%
	2030	106,082	595,733	562%	60%
	2031	94,048	603,597	642%	62%
	2032	82,941	606,320	731%	65%
	2033	72,776	604,994	831%	67%
	2034	63,557	601,114	946%	69%
	2035	55,266	596,970	1,080%	71%
	2036	47,867	592,141	1,237%	73%
	2037	41,314	585,670	1,418%	75%
	2038	35,544	576,382	1,622%	77%
	2039	30,490	564,438	1,851%	79%
	2040	26,082	549,090	2,105%	80%
	2041	22,249	530,681	2,385%	82%
	2042	18,922	510,707	2,699%	83%
	2043	16,043	490,599	3,058%	84%
	2044	13,560	470,662	3,471%	86%
	2045	11,419	450,402	3,944%	87%
	2046	9,574	430,024	4,491%	88%
	2047	7,989	409,735	5,129%	88%
	2048	6,636	389,254	5,866%	89%
	2049	5,480	367,612	6,708%	90%
	2050	4,500	344,989	7,667%	91%
	2051	3,672	322,147	8,772%	91%
	2052	2,978	298,857	10,036%	92%
	2053	2,400	274,518	11,440%	92%
	2054	1,923	249,468	12,975%	93%
	2055	1,532	224,413	14,652%	93%
	2056	1,214	199,885	16,465%	93%
	2057	956	176,372	18,452%	94%
	2058-2062	2,394	590,446	24,665%	94%
	2063-2067	594	258,317	43,512%	95%

With Interest Accum./Disc. To 12/31/2017 at Max. Val. Interest

History	10,363,679	3,227,781	31%
Future	2,367,737	8,830,068	373%
Lifetime	12,731,416	12,057,848	95%

Attachment 3-b
MedAmerica
Written Premium and Paid Claim Experience and Projections by Calendar Year
Pennsylvania-Specific Experience After Requested Rate Increase
515 and 780 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions			
		Without Interest			Cumulative Loss Ratio w/ Max. Val. Interest
		Written Premium	Paid Claims	Loss Ratio	
Historical Experience	1999	76,792	0	0%	0%
	2000	291,307	0	0%	0%
	2001	370,885	644	0%	0%
	2002	388,969	0	0%	0%
	2003	396,064	24,761	6%	2%
	2004	386,122	43,906	11%	3%
	2005	374,822	13,879	4%	3%
	2006	398,224	21,142	5%	4%
	2007	451,830	106,549	24%	6%
	2008	445,584	153,270	34%	9%
	2009	416,357	110,176	26%	11%
	2010	393,024	235,117	60%	14%
	2011	370,888	287,307	77%	18%
	2012	357,607	284,773	80%	21%
	2013	339,475	241,872	71%	24%
	2014	321,767	288,575	90%	26%
	2015	317,775	253,908	80%	28%
	2016	321,313	185,708	58%	29%
	2017	313,533	286,704	91%	31%
Projected Future Experience (50 Years)	2018	295,153	244,840	83%	33%
	2019	289,865	288,522	100%	34%
	2020	309,486	318,672	103%	36%
	2021	293,492	344,833	117%	38%
	2022	273,553	372,277	136%	40%
	2023	253,820	398,914	157%	42%
	2024	234,384	424,691	181%	44%
	2025	215,335	449,074	209%	46%
	2026	196,769	472,087	240%	48%
	2027	178,786	493,366	276%	50%
	2028	161,519	512,572	317%	52%
	2029	145,111	528,134	364%	54%
	2030	129,663	538,884	416%	56%
	2031	115,233	544,757	473%	59%
	2032	101,884	546,061	536%	61%
	2033	89,641	543,763	607%	62%
	2034	78,508	539,198	687%	64%
	2035	68,466	534,353	780%	66%
	2036	59,472	528,913	889%	68%
	2037	51,477	522,101	1,014%	69%
	2038	44,410	512,943	1,155%	71%
	2039	38,195	501,601	1,313%	72%
	2040	32,754	487,459	1,488%	74%
	2041	28,005	470,809	1,681%	75%
	2042	23,867	452,949	1,898%	76%
	2043	20,276	435,113	2,146%	77%
	2044	17,170	417,511	2,432%	78%
	2045	14,484	399,649	2,759%	79%
	2046	12,166	381,686	3,137%	80%
	2047	10,168	363,784	3,578%	81%
	2048	8,461	345,626	4,085%	81%
	2049	6,999	326,345	4,662%	82%
	2050	5,757	306,135	5,318%	83%
	2051	4,706	285,697	6,070%	83%
	2052	3,823	264,821	6,927%	84%
	2053	3,086	243,016	7,875%	84%
	2054	2,477	220,630	8,908%	84%
	2055	1,976	198,296	10,034%	85%
	2056	1,569	176,494	11,252%	85%
	2057	1,236	155,674	12,592%	85%
	2058-2062	3,099	522,166	16,849%	86%
	2063-2067	766	230,377	30,070%	86%

With Interest Accum./Disc. To 12/31/2017 at Max. Val. Interest

History	10,363,679	3,227,781	31%
Future	2,762,589	8,074,721	292%
Lifetime	13,126,268	11,302,501	86%

Attachment 4
MedAmerica, CICA, and CLICNY
Breakdown of Historical Incurred Claims and Reserve Balances at December 31, 2017
515, 700, and 780 Series

Nationwide Experience						
Incurred Year	Discounted to the Year of Incurral					Year-End Active Life Reserve ^[3]
	Incurred Claims ^[1]	Paid Claims	Disabled Life Reserve	IBNR Reserve	Total Claim Reserve ^[2]	
1997	0	0	0		0	
1998	0	0	0		0	
1999	43,198	43,198	0		0	
2000	190,025	190,025	0		0	
2001	263,180	263,180	0		0	
2002	587,804	587,804	0		0	
2003	266,048	266,048	0		0	
2004	1,042,726	1,042,726	0		0	
2005	2,846,576	2,654,684	191,891		191,891	
2006	2,642,017	2,583,385	58,632		58,632	
2007	1,695,018	1,695,018	0		0	
2008	2,394,190	2,394,190	0		0	
2009	4,193,482	3,963,449	230,032		230,032	
2010	3,324,627	3,081,143	243,484		243,484	
2011	5,619,319	5,244,079	375,240		375,240	
2012	3,904,716	3,551,906	352,809		352,809	
2013	5,459,461	4,709,926	749,535		749,535	
2014	5,877,615	4,655,712	1,221,904		1,221,904	
2015	5,791,254	3,582,949	2,208,305		2,208,305	
2016	7,309,333	2,552,252	4,757,081		4,757,081	
2017	9,096,573	660,160	6,287,181	2,149,232	8,436,413	122,291,301

Pennsylvania-Specific Experience						
Incurred Year	Discounted to the Year of Incurral					Year-End Active Life Reserve ^[3]
	Incurred Claims ^[1]	Paid Claims	Disabled Life Reserve	IBNR Reserve	Total Claim Reserve ^[2]	
1999	0	0	0		0	
2000	91,218	91,218	0		0	
2001	0	0	0		0	
2002	0	0	0		0	
2003	58,576	58,576	0		0	
2004	0	0	0		0	
2005	0	0	0		0	
2006	181,178	181,178	0		0	
2007	216,951	216,951	0		0	
2008	201,152	201,152	0		0	
2009	189,478	189,478	0		0	
2010	279,966	279,966	0		0	
2011	272,963	272,963	0		0	
2012	104,844	104,844	0		0	
2013	179,912	179,912	0		0	
2014	342,647	261,885	80,762		80,762	
2015	65,698	65,698	0		0	
2016	290,962	119,634	171,328		171,328	
2017	629,558	69,673	473,261	86,624	559,885	5,098,734

[1] Incurred claims are the sum of paid claims, disabled life reserve, and incurred but not reported (IBNR) reserve.

[2] Claim reserve is the sum of disabled life reserve and IBNR reserve.

[3] Active life reserve is defined as interpolated terminal reserves plus unearned premium reserves.

Attachment 5-a
MedAmerica, CICA, and CLICNY
Nationwide Experience and Projections by Policy Year - Before Requested Rate Increase
515, 700, and 780 Series

Policy Year	Actual and Projected Experience using Current Assumptions				
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Cumulative Loss Ratio w/ Max. Val. Interest
1	18,133,511	387,943	2%	14,325	2%
2	15,263,438	773,882	5%	12,706	3%
3	13,860,922	1,592,601	11%	11,708	6%
4	12,970,019	1,902,345	15%	10,970	7%
5	12,282,619	1,255,299	10%	10,366	8%
6	11,704,774	3,118,644	27%	9,900	10%
7	11,186,883	2,613,697	23%	9,435	12%
8	10,631,175	3,946,186	37%	8,990	14%
9	10,149,725	3,112,517	31%	8,580	15%
10	9,743,123	5,132,965	53%	8,195	17%
11	9,328,907	3,791,803	41%	7,837	19%
12	8,940,525	6,848,194	77%	7,438	21%
13	8,548,844	6,653,184	78%	7,030	24%
14	8,206,693	5,703,613	69%	6,613	25%
15	7,914,790	7,748,037	98%	6,253	28%
16	7,614,887	7,608,609	100%	5,895	30%
17	7,278,099	10,194,449	140%	5,529	33%
18	6,888,865	10,258,993	149%	5,199	35%
19	6,469,075	11,039,230	171%	4,885	38%
20	6,022,375	11,764,004	195%	4,564	41%
21	5,573,324	12,602,835	226%	4,247	44%
22	5,130,314	13,393,197	261%	3,933	47%
23	4,697,030	14,215,943	303%	3,623	50%
24	4,276,082	15,018,652	351%	3,321	53%
25	3,869,928	15,492,502	400%	3,027	56%
26	3,480,730	15,773,416	453%	2,744	59%
27	3,110,441	15,874,218	510%	2,473	62%
28	2,761,121	15,769,941	571%	2,216	64%
29	2,435,145	15,413,596	633%	1,974	67%
30	2,134,403	14,993,039	702%	1,750	69%
31	1,859,546	14,531,859	781%	1,543	71%
32	1,610,449	14,074,500	874%	1,353	73%
33	1,386,675	13,565,855	978%	1,182	75%
34	1,187,651	13,078,055	1,101%	1,027	77%
35	1,012,343	12,554,494	1,240%	889	79%
36	858,999	12,004,212	1,397%	766	80%
37	725,661	11,399,182	1,571%	658	82%
38	610,362	10,758,115	1,763%	562	83%
39	511,305	10,078,395	1,971%	479	84%
40	426,717	9,369,503	2,196%	407	85%
41	354,827	8,617,748	2,429%	344	86%
42	293,990	7,882,916	2,681%	290	87%
43	242,728	7,190,443	2,962%	244	88%
44	199,765	6,579,759	3,294%	205	88%
45	163,957	6,005,858	3,663%	171	89%
46	134,193	5,472,293	4,078%	143	89%
47	109,499	4,965,896	4,535%	119	90%
48	89,215	4,494,421	5,038%	99	90%
49	72,541	4,017,391	5,538%	82	90%
50	58,874	3,548,346	6,027%	68	90%
51-55	162,399	11,780,038	7,254%	197	91%
56-60	53,717	5,374,053	10,004%	72	92%
61-65	16,365	2,160,832	13,204%	24	92%

Total	252,749,549	453,109,756	179%	206,648	92%
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Attachment 5-b
MedAmerica, CICA, and CLICNY
Nationwide Experience and Projections by Policy Year - After Requested Rate Increase
515, 700, and 780 Series

Policy Year	Actual and Projected Experience using Current Assumptions				
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Cumulative Loss Ratio w/ Max. Val. Interest
1	18,133,511	387,943	2%	14,325	2%
2	15,263,438	773,882	5%	12,706	3%
3	13,860,922	1,592,601	11%	11,708	6%
4	12,970,019	1,902,345	15%	10,970	7%
5	12,282,619	1,255,299	10%	10,366	8%
6	11,704,774	3,118,644	27%	9,900	10%
7	11,186,883	2,613,697	23%	9,435	12%
8	10,631,175	3,946,186	37%	8,990	14%
9	10,149,725	3,112,517	31%	8,580	15%
10	9,743,123	5,132,965	53%	8,195	17%
11	9,329,632	3,791,773	41%	7,837	19%
12	8,954,739	6,847,314	76%	7,434	21%
13	8,622,333	6,646,982	77%	7,011	24%
14	8,403,647	5,682,102	68%	6,578	25%
15	8,227,441	7,703,520	94%	6,201	28%
16	8,013,251	7,535,095	94%	5,827	30%
17	7,796,080	10,065,615	129%	5,432	32%
18	7,629,949	10,015,887	131%	5,062	35%
19	7,501,872	10,599,504	141%	4,707	37%
20	7,258,755	11,099,002	153%	4,353	40%
21	6,939,723	11,697,588	169%	4,023	42%
22	6,488,939	12,303,337	190%	3,714	45%
23	5,975,574	12,985,678	217%	3,417	47%
24	5,453,631	13,664,059	251%	3,130	50%
25	4,945,952	14,047,838	284%	2,851	52%
26	4,457,852	14,256,430	320%	2,582	55%
27	3,991,933	14,305,222	358%	2,325	57%
28	3,550,990	14,171,801	399%	2,081	59%
29	3,138,254	13,815,460	440%	1,853	61%
30	2,756,333	13,404,297	486%	1,641	63%
31	2,406,266	12,960,781	539%	1,445	65%
32	2,088,092	12,522,979	600%	1,266	67%
33	1,801,463	12,043,635	669%	1,105	69%
34	1,545,844	11,587,341	750%	959	70%
35	1,320,097	11,104,063	841%	829	72%
36	1,122,134	10,601,186	945%	714	73%
37	949,575	10,054,844	1,059%	612	74%
38	800,015	9,479,903	1,185%	523	75%
39	671,242	8,873,073	1,322%	445	76%
40	561,055	8,242,454	1,469%	378	77%
41	467,223	7,575,899	1,621%	319	78%
42	387,663	6,925,288	1,786%	269	78%
43	320,504	6,313,990	1,970%	226	79%
44	264,119	5,777,090	2,187%	189	79%
45	217,049	5,274,163	2,430%	158	80%
46	177,864	4,807,470	2,703%	132	80%
47	145,300	4,365,150	3,004%	110	80%
48	118,513	3,952,839	3,335%	91	81%
49	96,459	3,534,105	3,664%	76	81%
50	78,359	3,121,266	3,983%	63	81%
51-55	216,640	10,352,349	4,779%	182	82%
56-60	72,020	4,708,470	6,538%	66	82%
61-65	22,117	1,885,634	8,526%	22	82%

Total	271,212,681	414,538,558	153%	203,410	82%
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Attachment 6-a
MedAmerica
Pennsylvania-Specific Experience and Projections by Policy Year - Before Requested Rate Increase
515 and 780 Series

Policy Year	Actual and Projected Experience using Current Assumptions				
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Cumulative Loss Ratio w/ Max. Val. Interest
1	689,905	91,218	13%	630	13%
2	585,866	0	0%	570	7%
3	527,771	0	0%	526	5%
4	498,254	58,576	12%	492	7%
5	468,067	0	0%	466	6%
6	443,542	298,819	67%	445	13%
7	420,962	4,364	1%	425	12%
8	403,019	305,997	76%	412	17%
9	385,462	38,971	10%	395	17%
10	370,382	458,211	124%	383	23%
11	355,622	73,791	21%	371	23%
12	340,612	92,532	27%	347	23%
13	325,829	318,197	98%	330	26%
14	307,973	299,060	97%	304	29%
15	299,260	284,851	95%	282	31%
16	304,998	71,705	24%	266	31%
17	305,607	520,794	170%	250	35%
18	285,105	442,368	155%	235	38%
19	268,208	547,244	204%	222	42%
20	251,008	412,727	164%	208	44%
21	233,283	445,492	191%	193	46%
22	215,722	477,697	221%	180	49%
23	198,411	512,104	258%	166	52%
24	181,430	548,311	302%	152	54%
25	164,877	572,310	347%	139	57%
26	148,869	588,923	396%	126	60%
27	133,511	602,556	451%	113	63%
28	118,912	611,118	514%	101	65%
29	105,198	608,318	578%	90	68%
30	92,485	600,825	650%	80	70%
31	80,835	592,233	733%	70	73%
32	70,256	581,031	827%	62	75%
33	60,741	567,830	935%	54	77%
34	52,261	560,573	1,073%	47	79%
35	44,772	552,241	1,233%	40	81%
36	38,200	544,710	1,426%	35	83%
37	32,461	534,800	1,648%	30	84%
38	27,472	520,871	1,896%	26	86%
39	23,156	495,138	2,138%	22	87%
40	19,440	464,645	2,390%	19	89%
41	16,255	431,268	2,653%	16	90%
42	13,532	395,564	2,923%	14	91%
43	11,214	359,826	3,209%	11	92%
44	9,259	330,100	3,565%	10	92%
45	7,623	306,479	4,020%	8	93%
46	6,259	281,158	4,492%	7	94%
47	5,124	257,370	5,023%	6	94%
48	4,193	237,362	5,660%	5	95%
49	3,431	220,609	6,430%	4	95%
50	2,807	201,763	7,189%	3	96%
51-55	7,972	778,853	9,770%	10	97%
56-60	2,710	367,934	13,576%	4	97%
61-65	709	110,927	15,651%	1	97%

Total	9,970,830	19,489,143	195%	9,401	97%
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Attachment 6-b
MedAmerica
Pennsylvania-Specific Experience and Projections by Policy Year - After Requested Rate Increase
515 and 780 Series

Policy Year	Actual and Projected Experience using Current Assumptions				
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Cumulative Loss Ratio w/ Max. Val. Interest
1	689,905	91,218	13%	630	13%
2	585,866	0	0%	570	7%
3	527,771	0	0%	526	5%
4	498,254	58,576	12%	492	7%
5	468,067	0	0%	466	6%
6	443,542	298,819	67%	445	13%
7	420,962	4,364	1%	425	12%
8	403,019	305,997	76%	412	17%
9	385,462	38,971	10%	395	17%
10	370,382	458,211	124%	383	23%
11	355,622	73,791	21%	371	23%
12	340,843	92,520	27%	347	23%
13	327,612	318,105	97%	330	26%
14	314,387	298,732	95%	303	29%
15	307,253	284,331	93%	281	31%
16	313,009	71,042	23%	265	31%
17	313,872	519,834	166%	248	35%
18	295,621	440,407	149%	232	38%
19	285,474	542,149	190%	216	41%
20	281,160	398,601	142%	200	43%
21	277,195	416,201	150%	183	46%
22	261,499	440,307	168%	169	48%
23	241,599	469,736	194%	156	50%
24	221,517	501,402	226%	143	52%
25	201,882	521,871	259%	131	55%
26	182,831	535,546	293%	118	57%
27	164,491	546,245	332%	106	59%
28	146,994	552,213	376%	95	62%
29	130,497	548,018	420%	84	64%
30	115,145	539,746	469%	75	66%
31	101,018	530,531	525%	65	68%
32	88,134	519,163	589%	57	70%
33	76,492	506,114	662%	50	71%
34	66,069	498,478	754%	43	73%
35	56,818	490,012	862%	37	75%
36	48,658	482,522	992%	32	76%
37	41,494	473,104	1,140%	28	77%
38	35,235	460,300	1,306%	24	79%
39	29,792	437,304	1,468%	20	80%
40	25,084	410,311	1,636%	17	81%
41	21,030	380,816	1,811%	15	82%
42	17,550	349,058	1,989%	12	83%
43	14,577	317,198	2,176%	11	84%
44	12,061	290,601	2,409%	9	84%
45	9,949	269,364	2,707%	7	85%
46	8,183	246,615	3,014%	6	85%
47	6,712	225,257	3,356%	5	86%
48	5,502	207,353	3,769%	4	86%
49	4,509	192,351	4,266%	4	87%
50	3,695	175,693	4,755%	3	87%
51-55	10,531	678,164	6,440%	9	88%
56-60	3,599	320,990	8,919%	3	88%
61-65	945	96,720	10,240%	1	89%

Total	10,559,373	17,924,970	170%	9,262	89%
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Attachment 7
MedAmerica, CICA, and CLICNY
Status of Filings as of March 12, 2019
All Jurisdictions in Which These Forms are In Force
515, 700, and 780 Series

Jurisdiction	Rate Series	12/31/2017 Policies In Force	12/31/2017 Annualized Premium	Percent of Total Premium	2013 Rate Increase Filings			2015 Rate Increase Filings			Current Requested Increases					Average Cumulative Increase Filed ^[1]
					Requested Increase	Disposition Date	Average Filed Increase ^[1]	Requested Increase	Disposition Date	Average Filed Increase ^[1]	Requested Increase	Status ^{[1][2]}	Date Submitted	Disposition Date	Average Filed Increase ^[1]	
Arkansas	515 Series	136	\$149,230	1.9%	38%	Disapproved	0%	38%	6/19/2015	18%	45%	Filed	6/8/2018	6/18/2018	7%	26%
	780 Series	18	\$16,626	0.2%	N/A			N/A			6%	Filed	6/8/2018	6/18/2018	3%	3%
Arizona	515 Series	4	\$4,186	0.1%	Not Filed			Not Filed				Not Filing				0%
	780 Series	3	\$4,650	0.1%	N/A			N/A				Not Filing				0%
California	515 Series	105	\$138,622	1.8%	Not Filed			Not Filed				Not Filing				0%
	780 Series	38	\$54,787	0.7%	N/A			N/A				Not Filing				0%
Colorado	515 Series	175	\$289,363	3.7%	Not Filed			38%	3/30/2015	13%	53%	Not Yet Filed				13%
Connecticut	515 Series	39	\$61,496	0.8%	38%	Disapproved	0%	Not Filed			99%	Filed	4/25/2018	5/23/2018	11%	11%
Delaware	515 Series	6	\$13,271	0.2%	38%	4/2/2014	38%	Not Filed				Not Filing				38%
	780 Series	2	\$1,761	0.0%	N/A			N/A				Not Filing				0%
Florida	700 Series	71	\$91,278	1.2%	N/A			N/A			43%	Filed	3/2/2017	10/3/2017	36%	36%
	780 Series	162	\$120,248	1.5%	N/A			N/A			43%	Filed	3/2/2017	10/3/2017	36%	36%
Georgia	515 Series	98	\$160,929	2.1%	38%	8/22/2014	15%	20%	7/28/2015	8%	53%	Filed	2/6/2018	5/29/2018	7%	33%
	780 Series	3	\$3,292	0.0%	N/A			N/A				Not Filing				0%
Iowa	515 Series	73	\$101,881	1.3%	38%	4/4/2014	17%	18%	9/10/2015	18%	51%	Not Yet Filed				38%
	780 Series	107	\$133,426	1.7%	N/A			N/A			20%	Not Yet Filed				0%
Idaho	515 Series	132	\$155,256	2.0%	38%	11/12/2014	20%	15%	Disapproved	0%	66%	Pending	2/2/2018			20%
	780 Series	27	\$31,056	0.4%	N/A			N/A			26%	Pending	2/2/2018			0%
Illinois	515 Series	235	\$299,955	3.8%	38%	8/15/2014	38%	Not Filed			41%	Filed	12/21/2017	1/15/2019	41%	94%
	700 Series	4	\$7,146	0.1%	N/A			N/A			46%	Filed	12/21/2017	1/15/2019	46%	46%
Indiana	780 Series	96	\$121,803	1.6%	N/A			N/A			18%	Filed	12/21/2017	1/15/2019	18%	18%
	515 Series	69	\$111,428	1.4%	Not Filed			38%	8/7/2015	10%	87%	Pending	12/4/2018			10%
Kansas	700 Series	56	\$74,402	0.9%	N/A			N/A			62%	Pending	12/4/2018			0%
	515 Series	5	\$5,838	0.1%	38%	6/6/2014	38%	Not Filed				Not Filing				38%
Kentucky	780 Series	2	\$3,246	0.0%	N/A			N/A				Not Filing				0%
	515 Series	97	\$95,205	1.2%	38%	4/7/2014	15%	22%	4/18/2016	8%	5%	Not Yet Filed				25%
Louisiana	780 Series	61	\$68,161	0.9%	N/A			N/A			3%	Not Yet Filed				0%
	515 Series	29	\$33,358	0.4%	38%	11/13/2014	20%	15%	Disapproved	0%	67%	Disapproved	7/9/2018	7/30/2018		20%
Massachusetts	780 Series	35	\$44,936	0.6%	N/A			N/A			22%	Disapproved	7/9/2018	7/30/2018		0%
	515 Series	28	\$27,640	0.4%	Not Filed			Not Filed			40%	Filed	8/4/2017	10/17/2018	20%	20%
Maryland	780 Series	6	\$12,299	0.2%	N/A			N/A				Not Filing				0%
Maine	515 Series	11	\$24,871	0.3%	38%	2/27/2015	22%	Not Filed			78%	Filed	8/10/2018	10/19/2018	24%	51%
	700 Series	30	\$30,050	0.4%	N/A			N/A			73%	Filed	8/10/2018	10/19/2018	29%	29%
Michigan	780 Series	28	\$32,288	0.4%	N/A			N/A			17%	Filed	8/10/2018	10/19/2018	17%	17%
	515 Series	28	\$43,962	0.6%	38%	2/3/2014	38%	Not Filed			60%	Filed	1/26/2018	2/27/2018	60%	120%
Minnesota	700 Series	97	\$122,868	1.6%	N/A			N/A			74%	Filed	1/26/2018	2/27/2018	74%	74%
	780 Series	4	\$4,438	0.1%	N/A			N/A				Not Filing				0%
Mississippi	515 Series	394	\$553,918	7.1%	Not Filed			38%	2/5/2016	29%	42%	Not Yet Filed				29%
	780 Series	391	\$459,143	5.9%	N/A			N/A			19%	Not Yet Filed				0%
Missouri	515 Series	189	\$276,219	3.5%	38%	3/25/2014	20%	15%	5/4/2015	15%	70%	Filed	3/13/2018	5/29/2018	29%	79%
	780 Series	85	\$89,117	1.1%	N/A			N/A			8%	Filed	3/13/2018	5/25/2018	4%	4%
Mississippi	515 Series	4	\$3,343	0.0%	Not Filed			Not Filed				Not Filing				0%
Montana	515 Series	49	\$60,577	0.8%	38%	7/3/2014	15%	20%	Withdrawn		83%	Not Yet Filed				15%
	780 Series	1	\$2,009	0.0%	N/A			N/A			35%	Not Yet Filed				0%
North Carolina	515 Series	277	\$333,086	4.3%	38%	9/26/2014	20%	Not Filed			61%	Pending	3/13/2018			20%
	780 Series	95	\$106,129	1.4%	N/A			N/A			14%	Pending	3/13/2018			0%
North Dakota	780 Series	27	\$26,349	0.3%	N/A			N/A				Not Filing				0%
Nebraska	515 Series	16	\$20,930	0.3%	38%	8/11/2014	38%	Not Filed			60%	Not Yet Filed				38%
	700 Series	10	\$16,438	0.2%	N/A			N/A			90%	Not Yet Filed				0%
New Hampshire	515 Series	25	\$37,559	0.5%	38%	3/23/2015	30%	Not Filed			44%	Not Yet Filed				30%
	700 Series	7	\$6,567	0.1%	N/A			N/A			96%	Not Yet Filed				0%
New Mexico	780 Series	11	\$12,026	0.2%	N/A			N/A			29%	Not Yet Filed				0%
	515 Series	7	\$5,127	0.1%	N/A			N/A				Not Filing				0%
Nevada	780 Series	1	\$2,799	0.0%	N/A			N/A				Not Filing				0%
	515 Series	10	\$14,790	0.2%	38%	10/15/2014	38%	Not Filed				Not Filing				38%
New York	700 Series	1	\$817	0.0%	N/A			N/A				Not Filing				0%
	515 Series	74	\$119,554	1.5%	Not Filed			15%	7/20/2015	15%	77%	Filed	4/12/2018	11/29/2018	10%	27%
Ohio	515 Series	32	\$44,015	0.6%	38%	4/24/2015	25%	Not Filed			62%	Filed	6/15/2018	10/11/2018	11%	39%
	700 Series	6	\$5,837	0.1%	N/A			N/A			85%	Filed	6/15/2018	10/11/2018	13%	13%
Oklahoma	780 Series	33	\$47,753	0.6%	N/A			N/A			14%	Filed	6/15/2018	10/11/2018	6%	6%
	515 Series	40	\$66,707	0.9%	38%	6/4/2014	25%	10%	1/25/2016	10%	35%	Not Yet Filed				38%
Oregon	780 Series	7	\$7,869	0.1%	N/A			N/A			23%	Not Yet Filed				0%
	515 Series	136	\$223,243	2.8%	38%	5/13/2014	38%	Not Filed			58%	Pending	12/21/2018			38%
Pennsylvania	780 Series	28	\$55,507	0.7%	N/A			N/A			32%	Pending	12/21/2018			0%
	515 Series	202	\$236,264	3.0%	38%	5/13/2014	15%	20%	6/24/2015	20%	41%	Not Yet Filed				38%
Rhode Island	780 Series	58	\$70,045	0.9%	N/A			N/A			18%	Not Yet Filed				0%
	515 Series	14	\$18,242	0.2%	38%	2/26/2019	38%	Not Filed				TBD				38%
South Carolina	515 Series	128	\$157,577	2.0%	38%	3/17/2014	20%	Not Filed			35%	Filed	6/1/2018	9/10/2018	8%	29%
	780 Series	1	\$5,672	0.1%	N/A			N/A			35%	Filed	6/1/2018	9/10/2018	20%	20%
South Dakota	515 Series	22	\$33,056	0.4%	38%	1/6/2014	38%	Not Filed			55%	Not Yet Filed				38%
	780 Series	9	\$8,656	0.1%	N/A			N/A			13%	Not Yet Filed				0%
Tennessee	515 Series	339	\$479,954	6.1%	38%	3/24/2014	38%	Not Filed			18%	Pending	3/4/2019			38%
	780 Series	19	\$20,414	0.3%	N/A			N/A			6%	Pending	3/4/2019			0%
Texas	515 Series	227	\$296,995	3.8%	38%	9/10/2014	19%	Not Filed			46%	Filed	8/13/2018	12/21/2018	46%	74%
	780 Series	113	\$128,874	1.6%	N/A			N/A			18%	Filed	8/13/2018	12/21/2018	18%	18%
Utah	515 Series	1	\$1,149	0.0%	N/A			N/A				Not Filing				0%
	780 Series	10	\$10,476	0.1%	N/A			N/A				Not Filing				0%
Virginia	515 Series	160	\$168,252	2.1%	Not Filed			38%	Disapproved	0%	90%	Pending	5/2/2018			0%
	780 Series	13	\$20,535	0.3%	N/A			N/A				Not Filing				0%
Vermont	515 Series	97	\$114,569	1.5%	38%	Disapproved	0%	38%	Disapproved	0%	108%	Pending	2/9/2018			0%
	700 Series	25	\$30,936	0.4%	N/A			N/A			100%	Pending	2/9/2018			0%
Washington	780 Series	2	\$2,227	0.0%	N/A			N/A			35%	Pending	2/9/2018			0%
	515 Series	215	\$388,256	5.0%	38%	4/15/2014	38%	Not Filed			53%	Pending	6/13/2018			38%
Wisconsin	515 Series	124	\$145,318	1.9%	38%	3/6/2014	26%	Not Filed			70%	Not Yet Filed				26%
	780 Series	8	\$11,915	0.2%	N/A			N/A			3%	Not Yet Filed				0%
West Virginia	515 Series	24	\$41,541	0.5%	38%	8/6/2014	15%	20%	8/5/2015	20%	45%	Filed	7/9/2018	10/26/2018	20%	66%
	780 Series	87	\$120,081	1.5%	Not Filed			38%	5/19/2015	38%	52%	Filed	2/27/2018	4/17/2018	52%	110%
Wyoming	780 Series	21	\$32,767	0.4%	N/A			N/A			33%	Filed	2/27/2018	4/17/2018	33%	33%

[1] "Filed" is used in a generic sense to indicate that a rate increase has been approved, accepted, filed for use, etc., by a jurisdiction. Average rate increase percentages are based off the business in force as of December 31, 2017.

[2] The company is "Not Filing" in jurisdictions in which it is not practical due to limited amount of in-force business or regulatory requirements.



An Excellus Company

MedAmerica Insurance Company
Home Office: Pittsburgh, PA

MedAmerica Insurance Company of New York
Home Office: Rochester, NY

MedAmerica Insurance Company of Florida
Home Office: Orlando, FL

Letter of Authorization

To: Department of Insurance


MedAmerica Insurance Company ("MedAmerica") has entered into a service agreement with Milliman, Inc. ("Milliman") effective October 3, 2016, that includes long-term care rate filing services on our behalf. The agreement provides, in part, that Milliman is responsible for preparing and filing for approval with state insurance departments MedAmerica's long-term care rate increase filings as directed by MedAmerica. Milliman is also authorized to receive, on MedAmerica's behalf, written and oral communication from each state department of insurance for the purpose of completing the rate increase filing process.

Please accept this letter of authorization for the purpose stated above. Should you have any questions regarding the above, please forward your comments to:

MedAmerica Insurance Company
165 Court Street
Rochester, NY 14647



Bill Naylor, President
MedAmerica Insurance Company



Date

Contingent Non-Forfeiture Benefit Election Form

<<FIRST_NAME>> <<LAST_NAME>>
<<STREET_ADDRESS1>>
<<STREET_ADDRESS2>>
<<CITY>> <<STATE>> <<ZIP>>

<<Date>>
Billing Account ID: <<POLICY_NUMBER>>

I have decided to stop future premium payments and accept the reduced Contingent Non-Forfeiture Benefit.

I understand the following:

- No future premium is due; and
- I will have a reduced lifetime benefit equal to the sum of all premiums paid and applied to date, **OR** thirty (30) times the Daily Benefit Amount, whichever is greater; and
- The Contingent Non-Forfeiture Benefit is significantly less than the benefit provided if I chose to keep paying my premium; and
- The Contingent Non-Forfeiture Benefit is only available if I satisfy the requirements for Benefit Eligibility as defined in my policy or certificate; and
- The Contingent Non-Forfeiture Benefit will be payable up to my Daily Benefit Amount in effect on the date of this change; and
- All riders and inflation options will be terminated; and
- All other terms, conditions, limitations and exclusions in my current coverage apply to the Contingent Non-Forfeiture Benefit.

Signature:

I request my current long term care insurance coverage be reduced to the Contingent Non-Forfeiture Benefit offered by the company. This option becomes effective as of my current paid through date. A summary of Contingent Non-Forfeiture Benefits will be sent to me when this request is processed.

Signature

Date

Mailing Instructions: Sign and date this form and return in the enclosed postage-paid envelope.

Time-Sensitive! Review Options and Make Your Decision
RE: Your Long Term Care Insurance
Notice of Premium Increase — Please Read & Retain for Your Records

<<FIRST_NAME>> <<LAST_NAME>>
<<STREET_ADDRESS1>>
<<STREET_ADDRESS2>>
<<CITY>> <<STATE>> <<ZIP>>

<< DATE>>
Billing Account ID: <<POLICY_NUMBER>>

Dear <<SALUTATION LAST_NAME>>:

We are writing to notify you that we have filed a premium increase of <<INC_AMT>> with the Department of Insurance. This premium change is based on the overall experience of all contracts in your class and has nothing to do with your current age, health status, claims history or any other personal factors. This increase applies to all insureds having the same policy form as you, regardless of the effective date of coverage. Please be advised that premiums are subject to future rate increases.

The premium rate increase for your long term care insurance coverage will change on <<NEXT_BILL_DATE>>. Your <<MODAL>> premium payment will change from <<CURRENT_RATE>> to <<FUTURE_RATE>>.

We understand this premium increase may affect your ability to afford your current level of benefits. Please review the options regarding your coverage that are outlined below, and make the decision that best meets your needs.

- **Option #1: Continue your coverage at your current level of benefits.** You may keep your current level of benefits by paying the increased premium when it is due on <<NEXT_BILL_DATE>>. If you choose this option, no additional action, other than your premium payment, is required. Please understand that paying the increased premium for coverage through 120 days from the date of the rate increase constitutes your acceptance of the rate increase and voids the offer of the Contingent Non-Forfeiture Benefit outlined in Option #3 below.
- **Option #2: Offset the increased premium by reducing your level of benefits.** You may be able to adjust your benefits to reduce your premium. Please understand that this option is not always available as you may have selected the state-mandated minimum benefits allowable for long term care insurance. Please call Customer Service toll-free at 1-800-240-1675 to discuss your options.
- **Option #3: Elect the reduced Contingent Non-Forfeiture Benefit.**

If you elect the Contingent Non-Forfeiture Benefit Option, no further premium is due. This option becomes effective as of your current paid through date. As of the date of this letter, your Contingent Non-Forfeiture Benefit would be <<RESULT_OF_CNF_FORMULA>>.

There are two ways to elect the Contingent Non-Forfeiture Benefit:

- Choose this option today by signing and dating the enclosed Contingent Non-Forfeiture Benefit Election Form and returning it in the enclosed postage-paid envelope; OR
- If you do not pay the increased premium **within 120 days of the due date**, which is <<NEXT_BILL_DATE>>, you will be entitled to the Contingent Non-Forfeiture Benefit. We will automatically change your coverage to the Contingent Non-Forfeiture Benefit in lieu of your policy lapsing for non-payment of premium.

IMPORTANT: Paying the increased premium for coverage through 120 days from <<NEXT_BILL_DATE>>, constitutes your acceptance of the rate increase and voids the Contingent Non-Forfeiture Benefit offer.

What is the Contingent Non-Forfeiture Benefit?

The Contingent Non-Forfeiture Benefit Option allows you to retain reduced long term care insurance benefits in the event you can no longer afford your premium due to a substantial premium increase. Under this option, the same **Daily Benefit Amount** in effect at the time of the lapse will be payable, but the **Lifetime Benefit Amount** will be equal to the greater of the items a) or b) below:

- a) The total amount of premiums paid and applied to Your Policy; **OR**
- b) Thirty (30) times the **Daily Benefit Amount**

The total of all benefits paid under your policy will not exceed the **Lifetime Benefit Amount** that would have been payable if your policy did not lapse.

Important facts to know about this reduced benefit are:

- No future premium is due.
- The **Lifetime Benefit Amount** is significantly less than the benefit provided if you choose to continue paying your premium.
- All riders and inflation options will be terminated.
- All other terms, conditions, limitations and exclusions in your current coverage apply to the Contingent Non-Forfeiture Benefit.

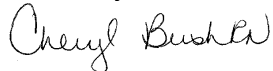
IMPORTANT NOTE: If your policy includes a Spousal Benefit Transfer Rider, both you and your spouse must continue to maintain identical coverage. You must both select the same option regarding this rate increase.

If you have questions on the above options please call Customer Service toll free at **1-800-240-1675**.

If you are currently on claim and your premium is being waived, the increase will be applied when your premium is no longer being waived. Please be assured that your benefits are not affected and that your claims will continue to be paid.

As always, thank you for your business with the company.

Sincerely,



Cheryl Bush, RN
Senior Vice President, Long Term Care Operations